Canadian Intellectual Property Office

An Agency of Industry Canada

Office de la propriété intellectuelle du Canada

Un organisme d'Industrie Canada

CIPO Annual Report 2008–09

Canada

CIPO OPIC

www.cipo.ic.gc.ca

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About us

The Canadian Intellectual Property Office (CIPO), a special operating agency of Industry Canada, is responsible for administering Canada's system of intellectual property (IP) rights: namely, patents, trade-marks, copyrights, industrial designs and integrated circuit topographies.

CIPO's key functions include:

- assessing and granting requests for IP rights;
- disseminating the technical information underlying these creations to allow other inventors to build on existing innovations;
- encouraging invention, innovation and creativity in Canada;
- providing expert advice on IP administration to other countries; and
- promoting Canada's IP interests internationally.

Specifically, CIPO receives and examines applications for patents, trade-marks, copyrights, industrial designs and integrated circuit topographies; grants and registers these IP rights; and administers their renewal, assignment and transfer. It also oversees the qualifying examinations for patent and trade-mark agents. Its primary clients are applicants for IP protection, agents representing those applicants, exploiters of IP systems, and the Canadian business community.

CIPO provides IP information via its website (www.cipo.ic.gc.ca) and through publicly accessible databases. It is responsible for publishing the *Trade-marks Journal* and the *Canadian Patent Office Record*, and also publishes information guides on its products, bulletins, reports and news releases. To facilitate and encourage the acquisition of IP rights and the exploitation of IP information, CIPO also has a program to raise awareness of the value of IP among the Canadian business community, innovators and creators.

Vision, mission and values

Vision

To be a leading intellectual property office recognized for excellence in our products and services and for strengthening Canada's innovative capacity, through ongoing quality improvement, continuous development of our employees and adherence to our values.

Mission

To accelerate Canada's economic development by:

- fostering the use of the intellectual property (IP) system and the exploitation of IP information;
- encouraging invention, innovation and creativity in Canada;
- administering the IP system in Canada (patents, trade-marks, copyrights, industrial designs and integrated circuit topographies); and
- promoting Canada's international IP interests.

Values

Integrity
Fairness
Respect
Efficiency
Trust
Quality
Continuous improvement

Our client service commitment

By telephone

- We answer your call with courtesy and efficiency and, if necessary, refer you to the appropriate officer to deal with your enquiry in the official language of your choice.
- We record all voice mail greetings clearly and bilingually.
- We listen to voice messages at least once a day and return your call by the end of the next business day.

In person

- We greet you in the official language of your choice.
- We provide you with access to an information officer at the Client Service Centre to deal with your enquiry within 10 minutes.
- If you wish to meet with a specialist, you must make an appointment beforehand.

General mail, email and fax enquiries

- We correspond with you in the official language of your choice.
- We acknowledge general correspondence, email and fax requests within two working days.

If you wish to formally register feedback concerning any of the products and services offered by CIPO, please use our online feedback mechanism located on CIPO's website by selecting the "Contact Us" button.

How to reach us

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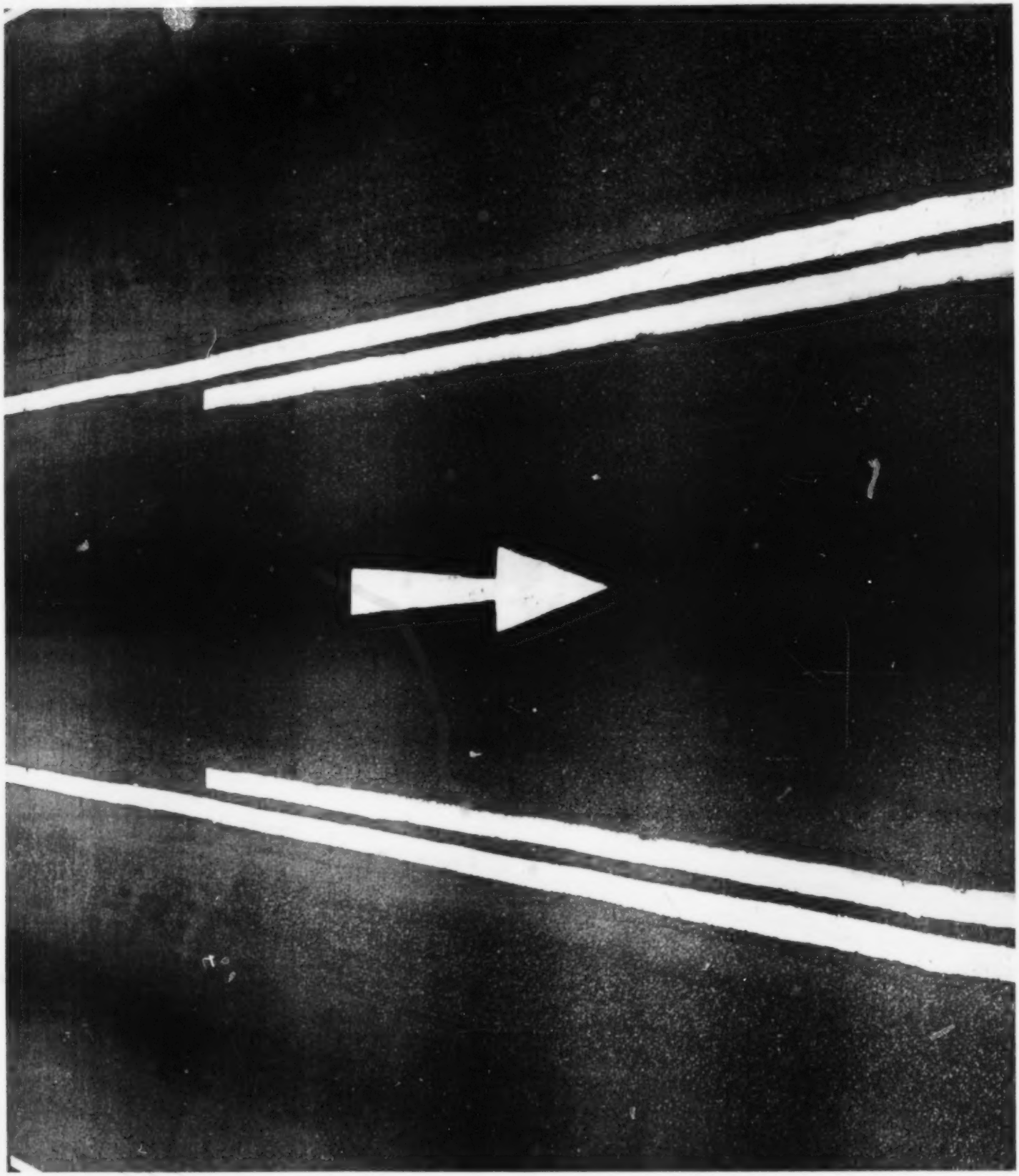
Acronyms and initialisms

APEC	Asia–Pacific Economic Cooperation
CIPO	Canadian Intellectual Property Office
EBO	E-Business Office
EBR	Enterprise business renewal
ICCMS	Integrated Client and Case Management Solution
IFMS	Integrated Financial and Material System
IP	Intellectual property
IPEA	International Preliminary Examining Authority
IPEG	Intellectual Property Rights Experts' Group
IPO	Intellectual property office
ISA	International Searching Authority
IT	Information technology
MOPOP	Manual of Patent Office Practice
PAB	Patent Appeal Board
PCT	Patent Cooperation Treaty
SMEs	Small and medium-sized enterprises
SOA	Special operating agency
TATs	Turnaround times
TMOB	Trade-marks Opposition Board
WIPO	World Intellectual Property Organization



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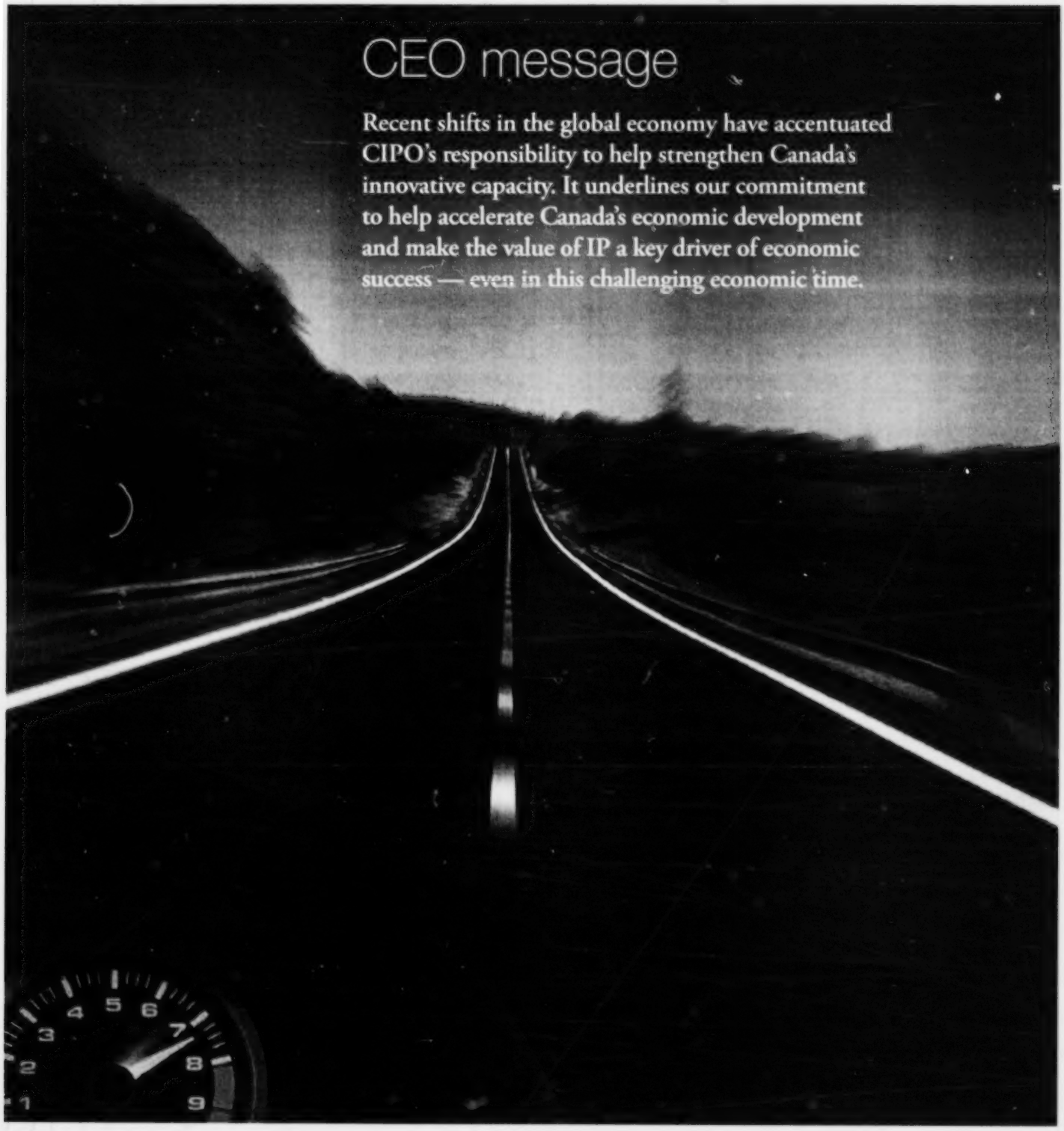


CEO message

Recent shifts in the global economy have accentuated CIPO's responsibility to help strengthen Canada's innovative capacity. It underlines our commitment to help accelerate Canada's economic development and make the value of IP a key driver of economic success — even in this challenging economic time.

Creativity and Innovation

CEO message

The Canadian Intellectual Property Office (CIPO) annual report presents an opportunity to take stock of both the work and the progress of CIPO during 2008–09. As always, we addressed our many legislated responsibilities. We fulfilled our mandate to help Canadians draw value and gain competitive advantage from intellectual property (IP) by granting IP rights, providing quality and timely client services as well as increasing awareness, knowledge and effective use of IP. These actions enabled creators of many kinds to maximize the business value of their IP in line with Canadian law and policy.

At the same time, CIPO managers and staff recognize that the key to effective operations is to set priorities and then take action on those priorities, especially at a time when IP is increasingly understood as critical to economic success. Our Strategic Plan 2007–2012 maps out those priorities and we demonstrated results across all priorities.

Recent shifts in the global economy have accentuated CIPO's responsibility to help strengthen Canada's innovative capacity. It underlines our commitment to help accelerate Canada's economic development and make the value of IP a key driver of economic success — even in this challenging economic time.

While some companies are retrenching, many others are looking to innovation and their IP to generate new revenue streams. They need CIPO to deliver quality service, with support and understanding. They need us to communicate, be accessible and work in a responsive manner.

We are responding with innovations and improvements such as e-services, new payment systems, record-level service in disposing of cases and the introduction of new quality standards. We are responding with more targeted outreach efforts that encourage Canadians, particularly in small and medium-sized enterprises (SMEs) and in university environments to understand the importance of IP to building business revenues.

Creators who turn to CIPO for protection of their IP are constantly seeking to develop new ideas and to improve existing ones. In the same way, CIPO is constantly seeking to improve our services to those creators. We accept the challenge of building a welcoming climate for creativity and innovation in Canada.

Mary Carman,
Commissioner of Patents,
Registrar of Trade marks
and Chief Executive Officer

Introduction

As a Special Operating Agency (SOA) of Industry Canada, CIPO is responsible for the granting or registering of patents, trade-marks, copyrights, industrial designs, and integrated circuit topographies. CIPO also has responsibilities for building awareness of IP products and services, and the benefits that can be gained from the strategic use of IP.

CIPO provides collaborative support to Industry Canada's Strategic Policy Sector and other government partners in the development of federal IP policies and positions as well as the larger commitment to build a competitive advantage for Canada in the global knowledge economy. In particular, CIPO plays a lead role in IP administrative policy development. On the global stage, the organization is active with the IP offices (IPOs) of other countries, particularly those of major trading partners, and with international organizations such as the World Intellectual Property Organization (WIPO).

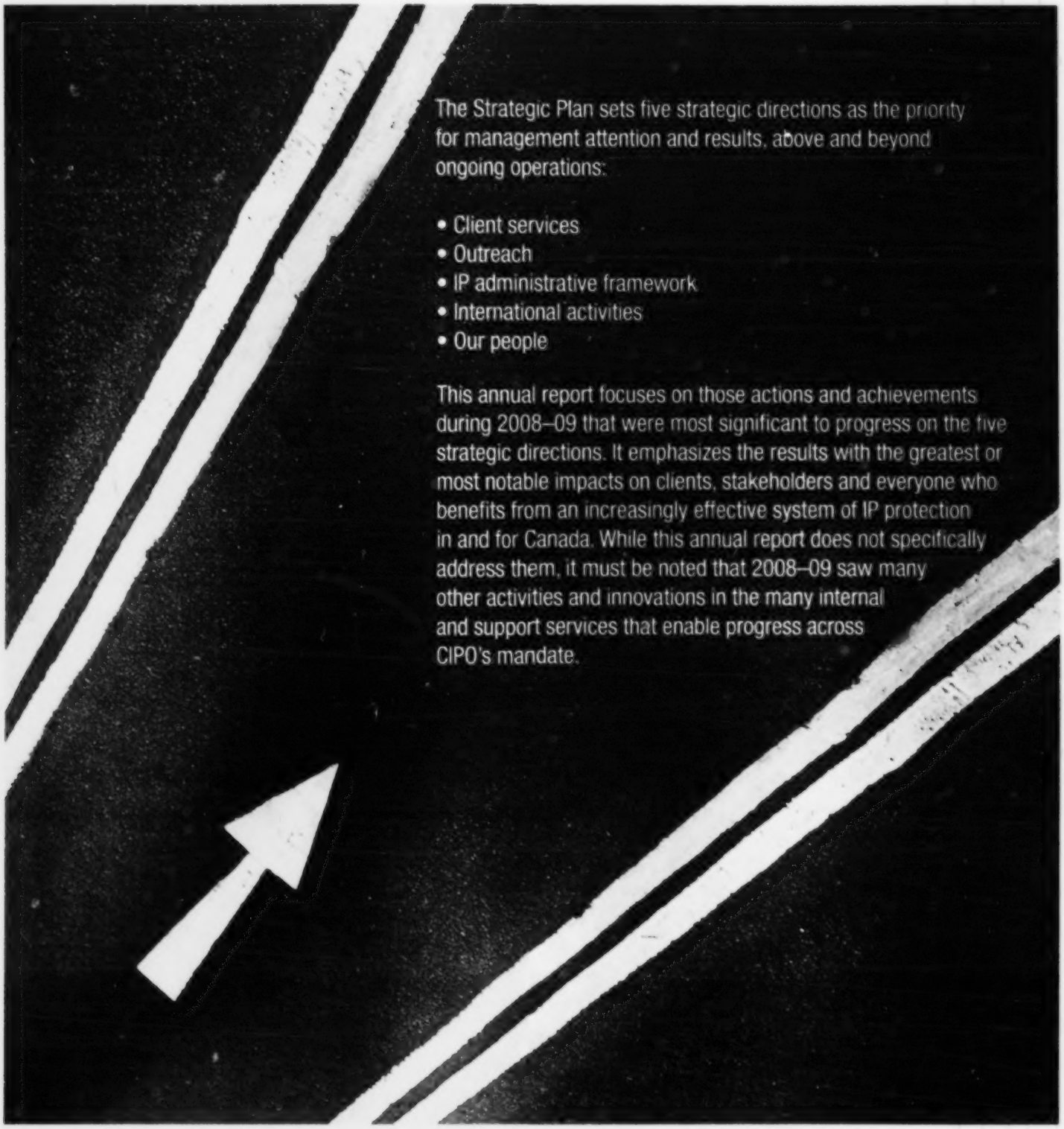
This annual report focuses on progress and experiences during 2008–09 toward the outcomes set out in the Strategic Plan as well as CIPO data for the year. Readers are encouraged to visit CIPO's website for the most up-to-date information on its many ongoing services, activities and functions as well as the role of IP in Canadian life:

www.cipo.ic.gc.ca
www.opic.ic.gc.ca

The organization's self-funded status is an important factor guiding planning and operations. A reliance on the revenues that CIPO generates from its services reinforces its commitment to be responsive, effective and efficient for those seeking to establish IP rights. That commitment extends to the organization's responsiveness to all parties and stakeholders who have an interest in CIPO's processes and activities and a focus on quality in all its work.

CIPO's Strategic Plan 2007–2012 entitled *Moving Forward to Canada's Advantage* builds on prior progress in all phases of the organization's work. It seeks to move forward on the CIPO vision:

To be a leading intellectual property office recognized for excellence in our products and services and for strengthening Canada's innovative capacity through ongoing quality improvement, continuous development of our employees and adherence to our values.



The Strategic Plan sets five strategic directions as the priority for management attention and results, above and beyond ongoing operations:

- Client services
- Outreach
- IP administrative framework
- International activities
- Our people

This annual report focuses on those actions and achievements during 2008–09 that were most significant to progress on the five strategic directions. It emphasizes the results with the greatest or most notable impacts on clients, stakeholders and everyone who benefits from an increasingly effective system of IP protection in and for Canada. While this annual report does not specifically address them, it must be noted that 2008–09 saw many other activities and innovations in the many internal and support services that enable progress across CIPO's mandate.

Year at a glance and summary of key operational trends and activity indicators

CIPO's operational activity tends to reflect overall trends in the economy. A relatively strong economy usually results in more applications for patents, trade-marks and industrial designs. As CIPO data for 2008–09 demonstrates, fewer applications are made in a slowing economy.

Between April and August 2008, application levels were broadly in line with the same months in 2007. However, every month, from October until the end of the fiscal year in March 2009, showed a lower number of applications than in the same month a year earlier.

Revenues for 2008–09 were only marginally greater than those generated in 2007–08. CIPO's management identified this trend as the year progressed and responded by controlling increases in expenses. Management ensured that spending was focused on priorities and that less-critical spending was deferred or reduced. The continued allocation of resources to improve client service and to shorten turnaround times (TATs) for application reviews and decisions resulted in reduced backlogs of applications not yet disposed.

During 2008–09, CIPO continued to make progress on the five strategic directions that it established as priorities in its Strategic Plan 2007–2012.

Creativity and Innovation

Year at a glance

*Key 2008–09 Statistics (Comparative data for 2007–08 in parentheses)

Patents
- 40 796 patent applications (41 321)
- 18 251 patents granted (18 554)
- 2 246 international search reports (2 385)
- 331 international preliminary reports on patentability (430)

Trade-marks
- 43 526 trade-mark applications (47 586)
- 26 697 registrations (25 314)

Copyrights
- 8 424 copyright applications (9 321)
- 1 335 requests for grants of interest (2 009)
- 8 273 registrations (9 254)

Industrial Designs
- 4 864 industrial design applications (5 174)
- 5 659 registrations (5 947)

* Additional information on key activities is outlined in Appendix A.

Client services

Under its Enterprise Business Renewal (EBR) program, CIPO's new E-Business Office (EBO) is overseeing EBR priorities and e-services projects. The EBR program has undertaken a strategic information technology (IT) roadmap exercise and assessment and development of e-business opportunities. These activities have led to the identification of IT enablers such as the proposed Integrated Client and Case Management Solution (ICCMS) and the enterprise portal, a key e-service technology component, which is expected to lead to simpler client services. New bilingual features were added to CIPO's online databases. In addition, all CIPO branches implemented specific process modernization and client service improvements. These included electronic application and payment systems, improved processes and work tools and the hiring of additional staff in client service roles.

Outreach

CIPO wants to build on its efforts to communicate IP issues by working with well-placed partners to reach two main target audiences, SMEs and the education sector. This year's approach to SMEs included the completion of an environmental sector survey to assess SME products and services needs as well as to identify potential outreach partners. IPO best practices for existing IP data search, analysis and assistance services that may be of value to SMEs were also examined. The education outreach approach included developing pilot case studies on IP issues for use in university science, engineering, and business faculties and connecting with existing organizations and linking to events to reach university and college students.

IP administrative framework

Improvement of Canadian IP regulations, rules and policies is critical to better client service and TATs as well as to progress under the Government's paper burden reduction initiative. Amended *Industrial Design Regulations* that modernized application requirements came into effect. Trade-marks Opposition Board (TMOB) practices and procedures were streamlined and the *Manual of Patent Office Practice* (MOPOP) was changed to address how CIPO deals with biotechnology patent applications. CIPO also consulted with stakeholders on proposals to amend the *Patent Rules* to deal with issues raised by those stakeholders and parliamentarians.

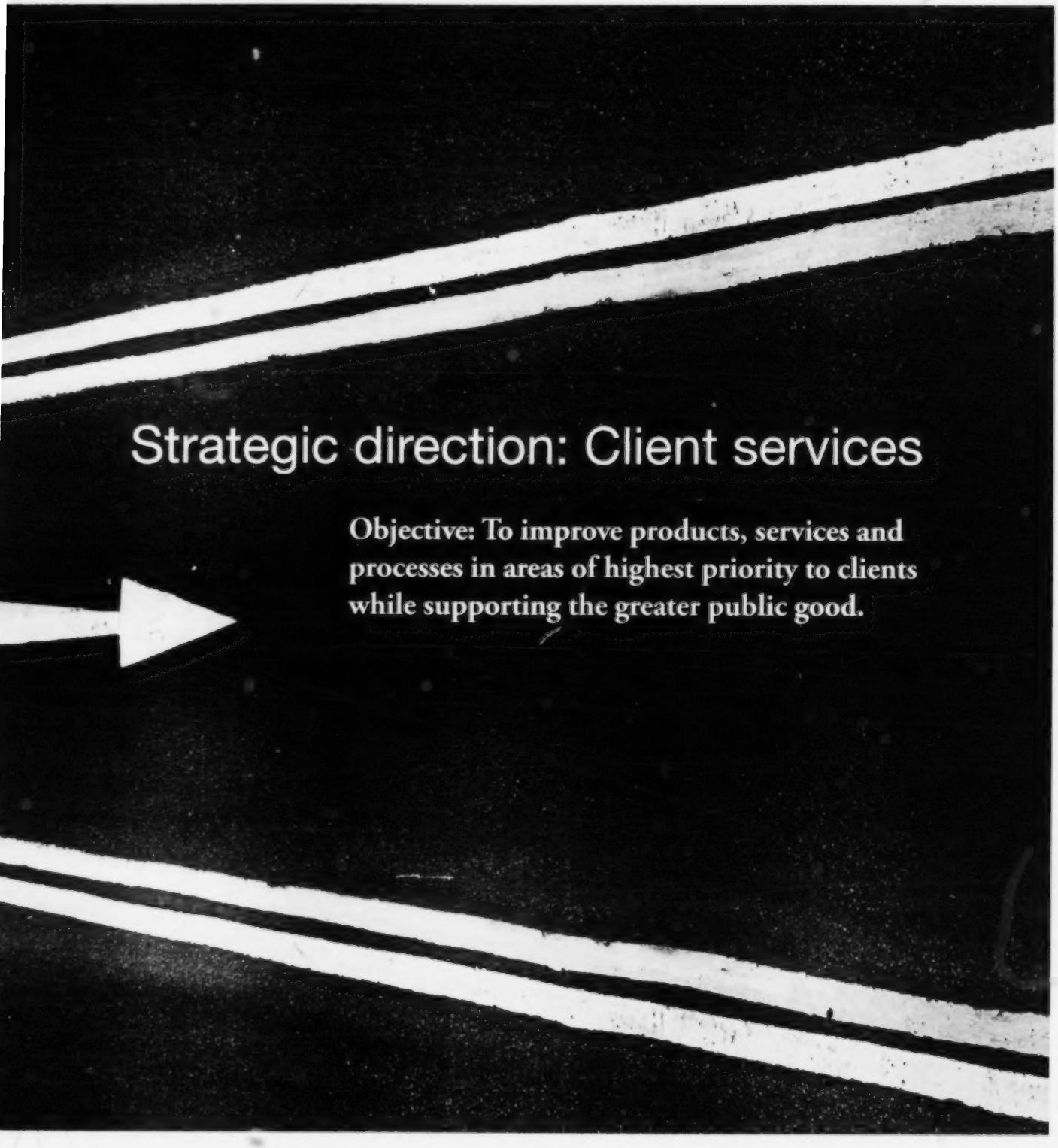
International activities

CIPO continued to collaborate bilaterally with the IPOs of partner states such as the United States, China, Japan, Mexico and Brazil to address issues of common interest. This included the creation of a "Vancouver Group" with the IPOs of the United Kingdom and Australia to address shared productivity and efficiency issues and work with the United States to improve speed of service for patent applications filed in both countries. CIPO also pursued Canadian interests through participation in the work of international organizations with IP mandates, particularly WIPO and Asia-Pacific Economic Cooperation (APEC).

Our people

CIPO demonstrated its ongoing commitment to build a workplace climate that enables it to attract, retain and build the skills of the employees who deliver results for the organization. During the year, an employee engagement survey helped identify recommendations designed to address leadership, learning and development, and communications as priorities. These priorities are the cornerstones of CIPO's Human Resources Plan, and renewal philosophy, and will require commitment from both management and the employee community. In order to address these priorities, CIPO took steps toward reviewing its orientation program, developing new telework guidelines and conducting a workforce analysis. In addition, senior leaders will participate in a new leadership training program in the upcoming fiscal year.

CIPO also streamlined its recruitment processes to enable faster staffing actions and to successfully address priorities such as the need for patent examiners.



Strategic direction: Client services

Objective: To improve products, services and processes in areas of highest priority to clients while supporting the greater public good.

Outcomes established in the Strategic Plan

- The delivery and quality of CIPO's products and services respond to client needs and expectations, and meet or surpass the performance of leading IPOs.
- CIPO clients, including the public, can easily locate the information and people they need.

Overview

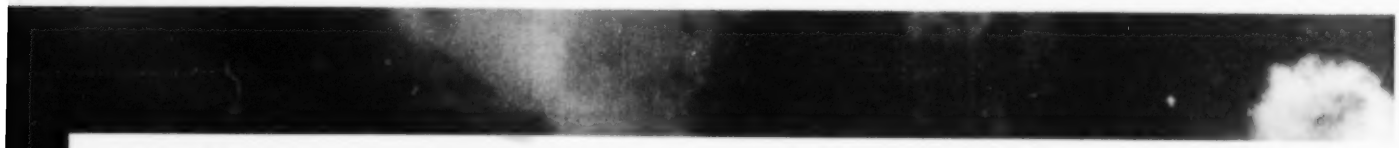
CIPO is committed to provide high-quality and timely IP products and services to its clients. Client service is an obvious strategic direction for an organization that recognizes the importance of continually improving its services, whether in terms of TATs or in terms of service quality. The direction of CIPO's client service improvements under this strategic direction has been guided by the three leading client priorities that emerged from the 2005 National Client Survey:

- timely, quality products and services;
- accessible, user-friendly products, services and processes; and
- clear, consistent, accurate and comprehensive communications.

The strategies and actions under this strategic direction have evolved further, based on results of the 2008 National Client Survey, which identified improved communications, faster TATs, greater access to client service representatives and improved electronic services as high-level priorities. More information on the results of the survey is available at www.ic.gc.ca/cic/site/cipointernet-internetopic.nsf/eng/wr01511.html.

Milestones and experiences

All CIPO branches took part in consultations with clients, stakeholders and international counterparts, and held internal discussions to explore areas for improvement and to assess current and emerging issues. Building on similar kinds of analysis in previous years, CIPO was able to generate a variety of concrete quality service improvements and initiate changes for better service over time.



General

CIPO has been addressing its commitment to operational excellence and responsiveness to client needs and expectations through its multi-year EBR program. EBR projects are expected to result in improved, user-friendly product and service offerings, more consistent services, faster TATs and a secure information exchange environment. A working group oversees each project and some projects have already contributed to the design of improved work tools and internal processes such as the introduction of client service standards and quality management measures. EBR governance was strengthened with the establishment of the new EBO, which brought a broad perspective to the e-business framework that CIPO was developing during the year. The EBO is expected to play a key role in determining the scope and framework for EBR projects, internal business requirements and external client requirements.

Process modernization was a 2008–09 EBR focus. Process mapping and analysis of business practices were undertaken for the following activities: inbound mail; formalities and processing; standard inputs; and assignments. This work enabled CIPO to identify opportunities for standardization across all business lines, beginning with the development of a standardized fee payment form to be launched in 2009–2010.

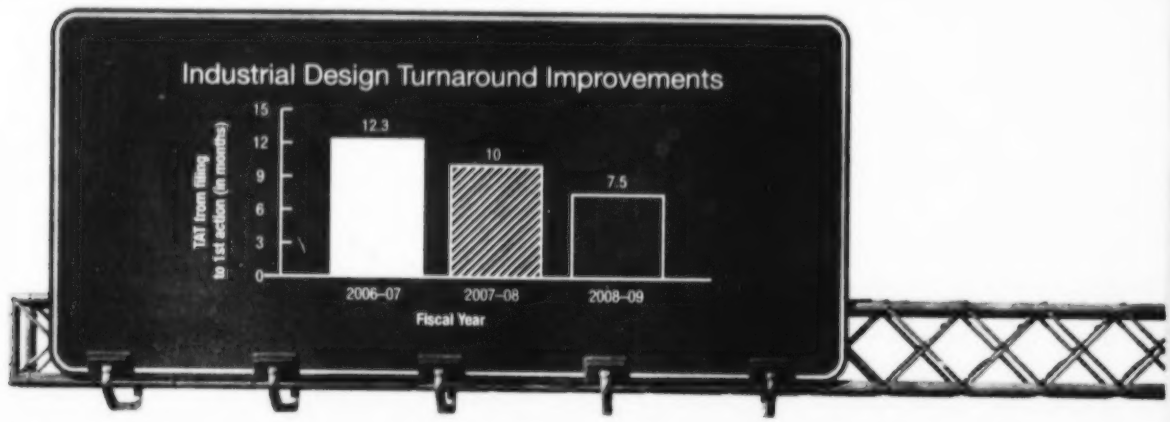
EBR has focused on assessing e-business opportunities, including document and case management, workflow, and centralized client information. The ICCMS project was identified as a potential response to these required functions. As a result, a business case is being developed in order to gain the necessary approval to proceed with the project.

Based on a strategic IT roadmap exercise to guide CIPO through its IT renewal process, an enterprise portal was identified as the other key technology component needed to support the e-services that clients are seeking. The enterprise portal will enable clients to use a single sign-on for transactional applications in a secure environment.

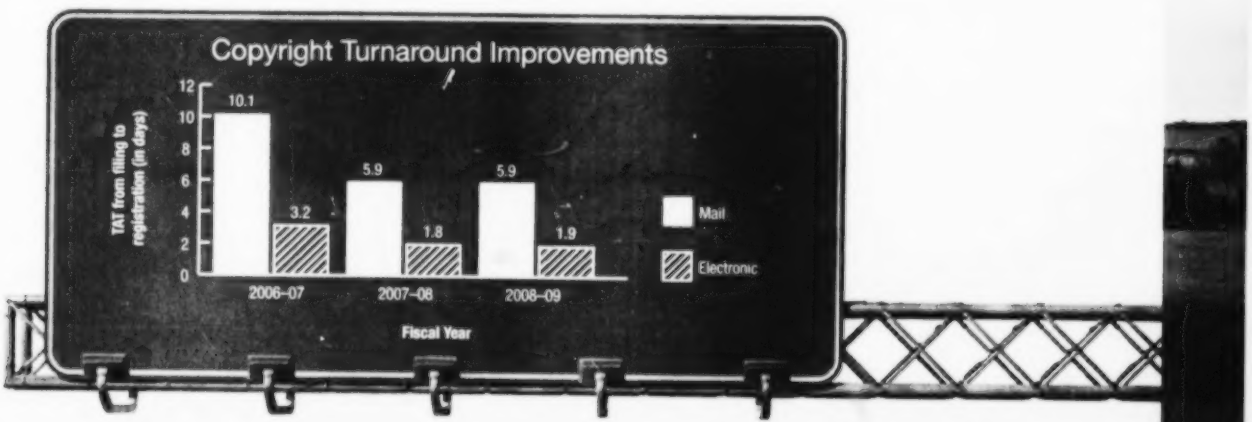
More generally, the bilingual features on CIPO's online databases were enhanced. A new feature, launched during the year, enabled searches of the titles of industrial designs registered after April 1, 2008, in the Canadian Industrial Designs Database. CIPO also prepared to implement the government-wide Common Look and Feel 2.0 standards for its website.

At a more specific level, CIPO branches made progress in a number of areas in order to improve service to clients, implement specific process modernization and assist in setting priorities and developing service standards.

Improved training programs, examination tools, and quicker integration of examiners from the classroom into the job are all helping to reduce TATs for industrial design applications. CIPO built on this progress in 2008–09 with action towards a new quality management approach that will balance the quality of industrial design services with improved efficiencies in the registration process.



The biggest factor contributing to improved CIPO efficiency in dealing with copyright applications is the use and improvement of e-services. When an applicant applies for copyright registration online, information is automatically downloaded into CIPO's internal systems with no need for data entry. Over the last three fiscal years, approximately 75 percent of all copyright applications were filed electronically.



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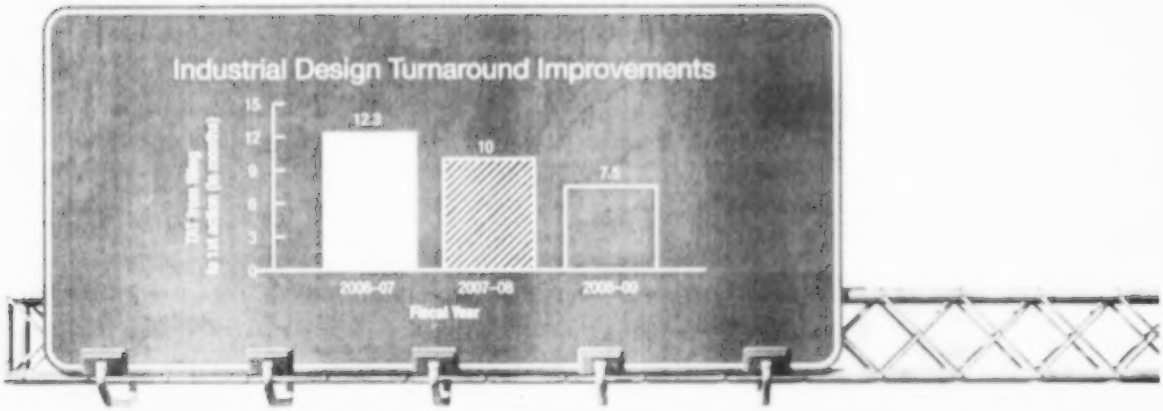

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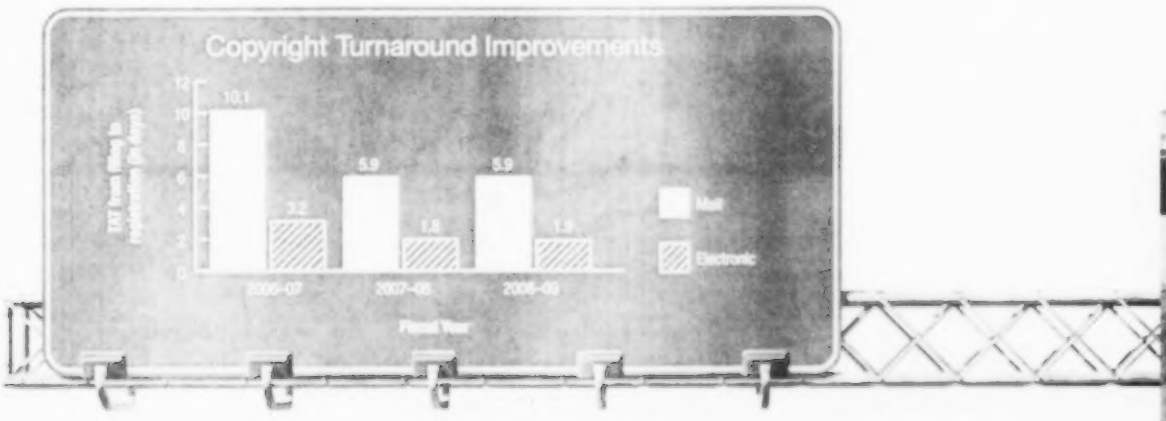


Patent Branch

- Clients can now file applications under the Patent Cooperation Treaty (PCT) electronically with CIPO.
- Clients can use a new Patent Maintenance Fees Electronic Payment system.
- Client service standards were established for each examination discipline.
- Processes and work tools were improved.
- TATs for PCT national entry files improved from 13.8 weeks in September 2008 to 8 weeks by May 2009.
- Completion of specific projects moved the Patent Branch Quality Management system forward.

Trade-marks Branch

- The Branch hired and trained 23 examiners, contributing to improvements in TATs.
- E-registration and extension of time electronic services were introduced.
- Trade-marks Branch Quality Management system, including staff quality training, was initiated.

Copyright and Industrial Design Branch

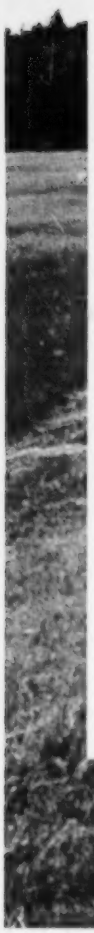
- Industrial design e-filing service was modified to accept multi-page drawings, improving the most pressing issue identified by clients.

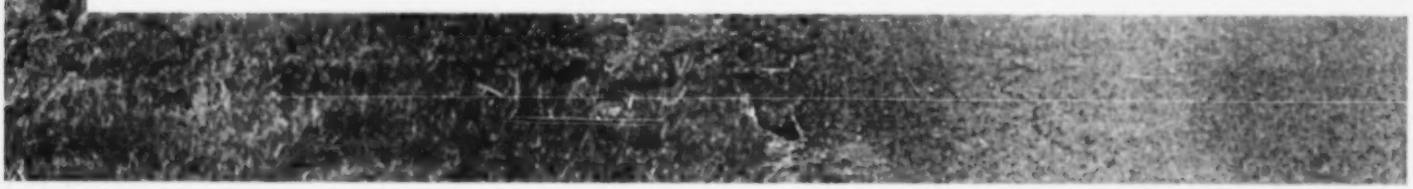
Patent Appeal Board

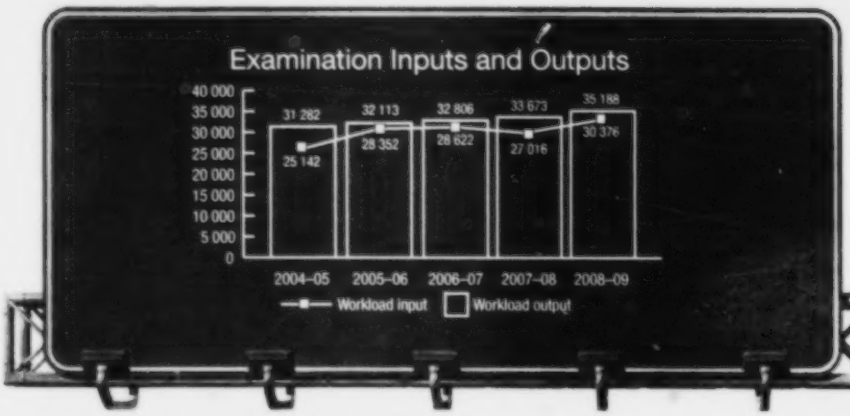
- A priority-setting exercise identified key caseload challenges and led to new procedures to focus on high-priority cases, which will influence service standards and TATs.
- The annual patent agent examination process was made more efficient through changes such as standardized formats, marking guides and correction grids.
- People writing those examinations also benefited from new examination marking timelines.
- Previous exams and marking guides, which were formerly available only in hard copy and for a fee, were posted on CIPO's website in order to facilitate access.

Trade-marks Opposition Board

- New service standards were introduced for issuing final decisions in section 45 and opposition proceedings.

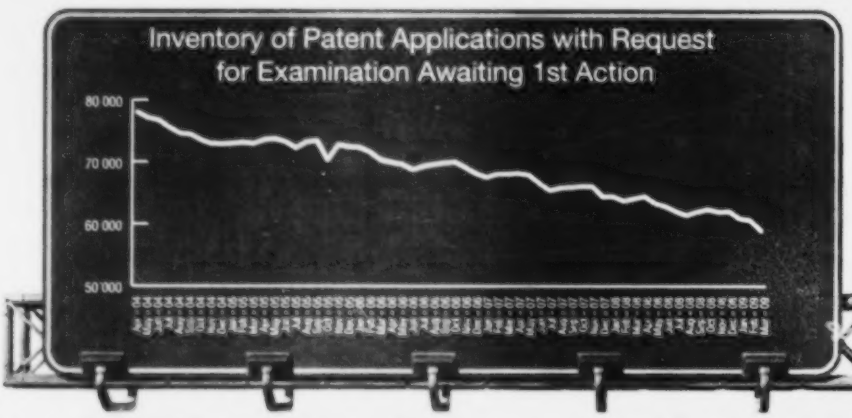


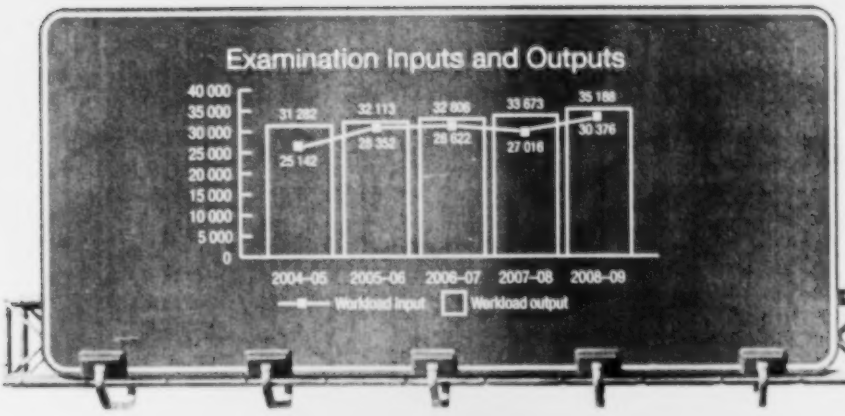




Patent activity at CIPO

An increasingly innovative global economy has generated rising patent activity for CIPO. The chart above illustrates the shift in both input volumes (request for examinations and reinstatements) and output volumes (allowances and abandonments) between 2004–05 and 2008–09. CIPO pursued an aggressive recruitment strategy for patent examiners and made ongoing improvements to the examiner training program. As the chart below shows, these and related actions, enabled CIPO to improve service through reduced backlogs.





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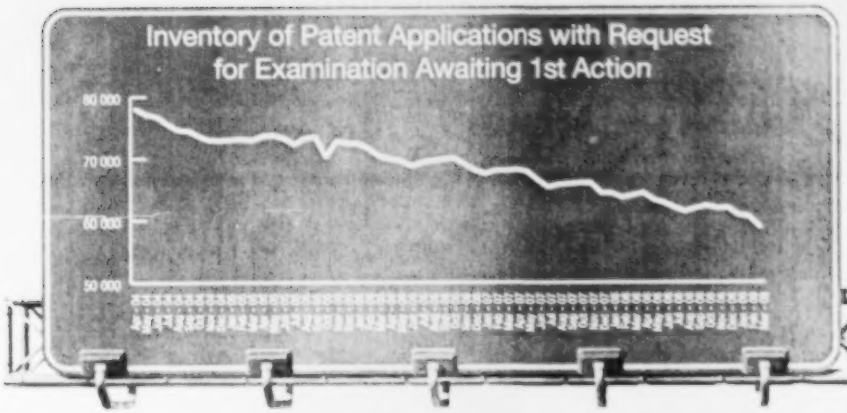
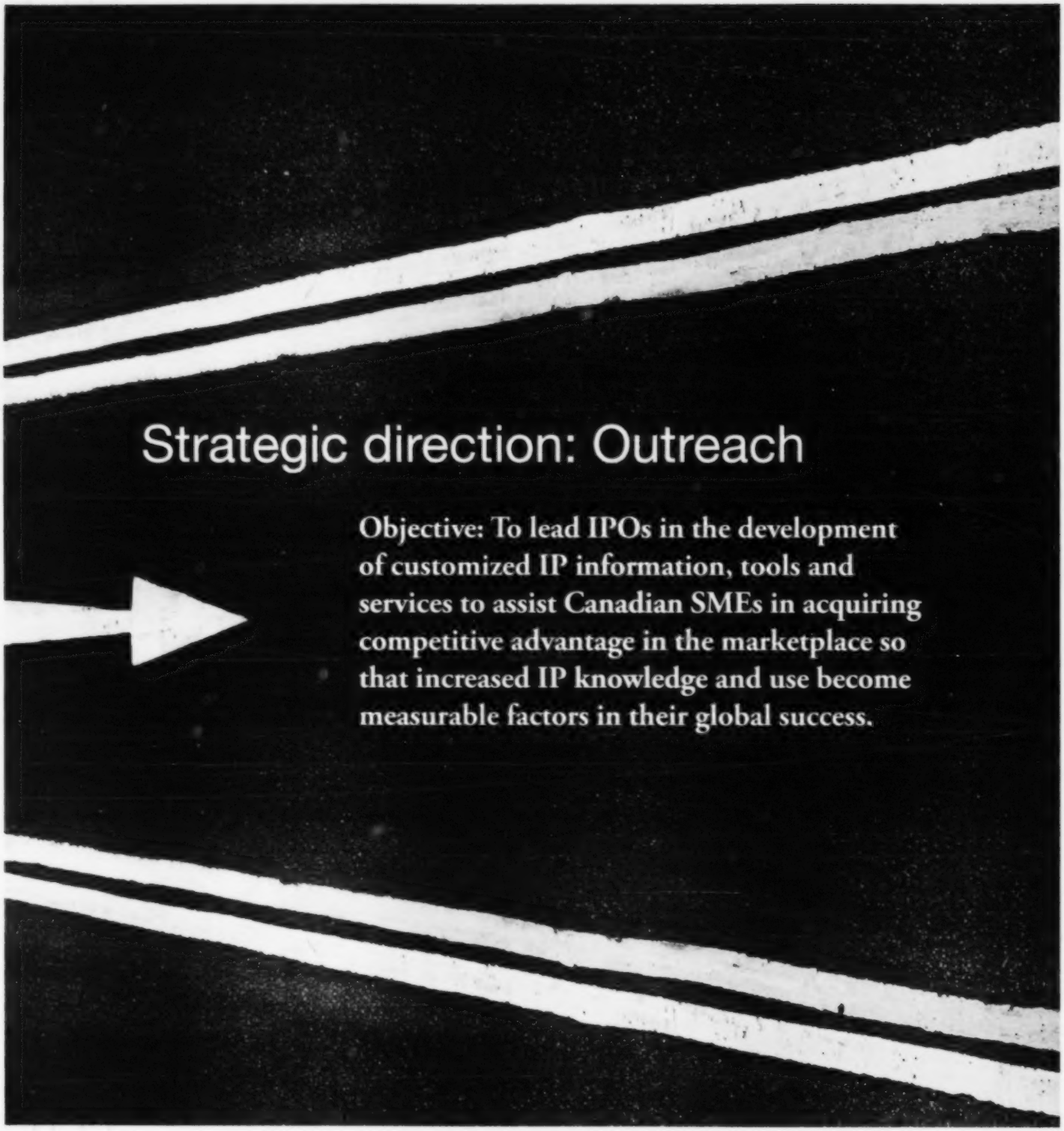
An increasingly innovative global economy has generated rising patent activity for CIPO. The chart above illustrates the shift in both input volumes (request for examinations and reinstatements) and output volumes (allowances and abandonments) between 2004–05 and 2008–09. CIPO pursued an aggressive recruitment strategy for patent examiners and made ongoing improvements to the examiner training program. As the chart below shows, these and related actions, enabled CIPO to improve service through reduced backlogs.





Strategic direction: Outreach

Objective: To lead IPOs in the development of customized IP information, tools and services to assist Canadian SMEs in acquiring competitive advantage in the marketplace so that increased IP knowledge and use become measurable factors in their global success.

Outcomes established in the Strategic Plan

- Canadian SMEs have gained competitive advantage through the effective use of IP assets and information.
- Secondary and post-secondary graduates are aware of the benefits of IP and using IP information, so that they will be better positioned to contribute to the realization of the business value of IP.

Overview

With the growing importance of IP in the global economy, a key part of CIPO's mandate is outreach to increase awareness, knowledge and effective use of the IP system and IP information. Making this a strategic direction recognizes that it is essential for Canadian innovators and creators, along with IP practitioners and the business community, to understand the importance of IP and how to use the IP system effectively. Under this strategic direction, CIPO has been expanding and targeting outreach activities primarily to SMEs and the education sector, where the need for knowledge and understanding about IP issues is the greatest. The strategy includes both direct CIPO actions and work with other organizations that reach target audiences, such as other government departments and agencies, business associations and academic institutions.

Milestones and experiences

CIPO has many ongoing outreach efforts meant to inform and educate audiences on IP processes in Canada and the competitive advantage that IP can generate. More than 100 information sessions were delivered to audiences such as SMEs, universities, community economic development officers, technology transfer offices and government partners. CIPO connected with 8 220 people at 35 trade shows across Canada. CIPO's Client Service Centre received 72 702 requests from around the world during 2008–09.

In addition to those efforts, CIPO pursued initiatives to improve and expand its outreach commitment:

SMEs

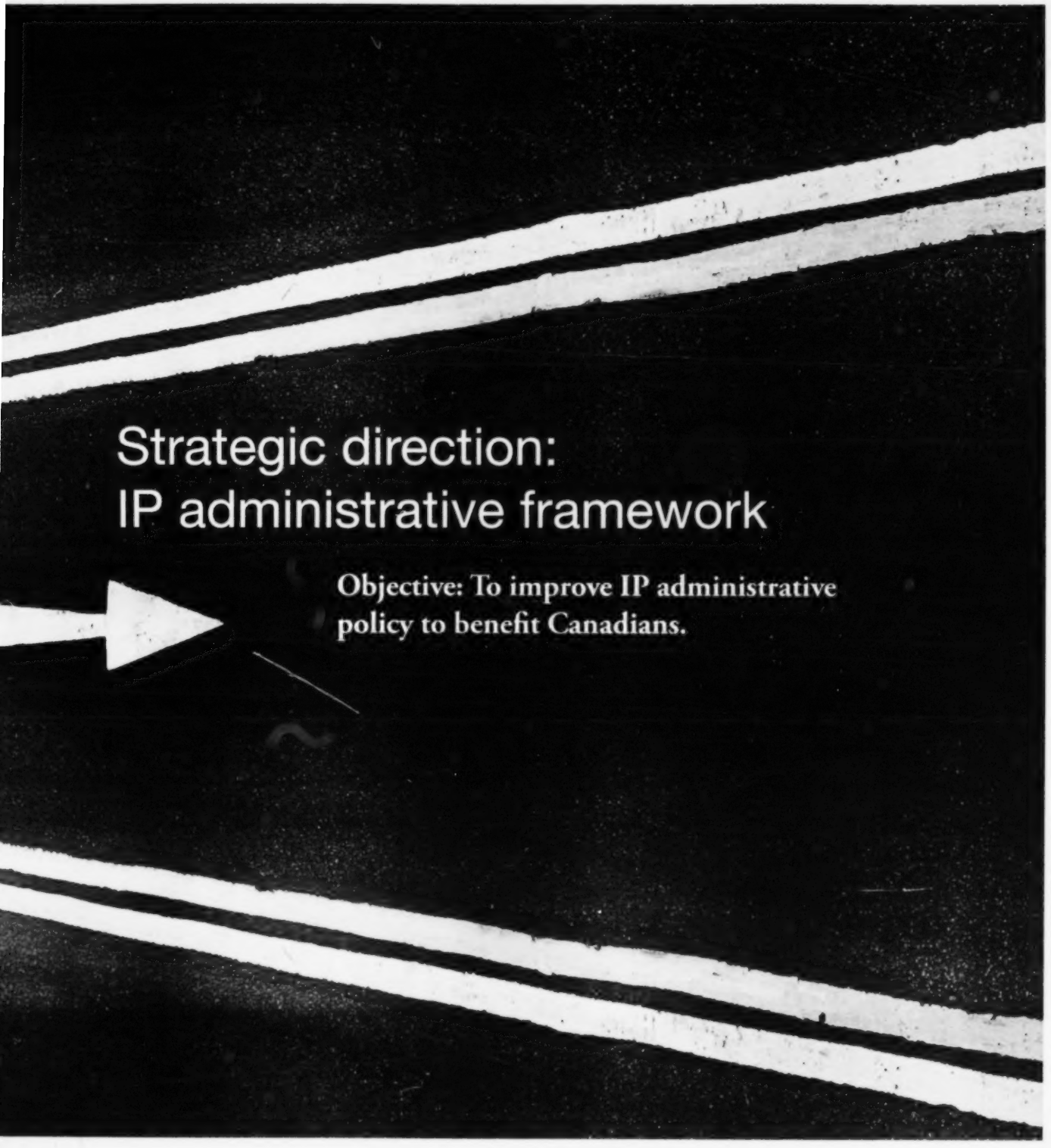
- Results of a survey of SMEs in the environmental industries sector were analyzed to measure their awareness, knowledge and effective use of IP, and to identify ways to improve SME outreach initiatives.
- Key intermediaries providing business services identified potential candidates as partners for eventual IP-related outreach to SMEs.
- A study of IP data search, analysis and assistance services in Canada as well as of best practices of other IPOs, identified possible IP data dissemination offerings to SMEs which could be factored into future outreach and development programming.

Education sector

- In a pilot project with university science, engineering, and business faculties, case studies were developed and tested as a way to help students understand IP strategies and value.

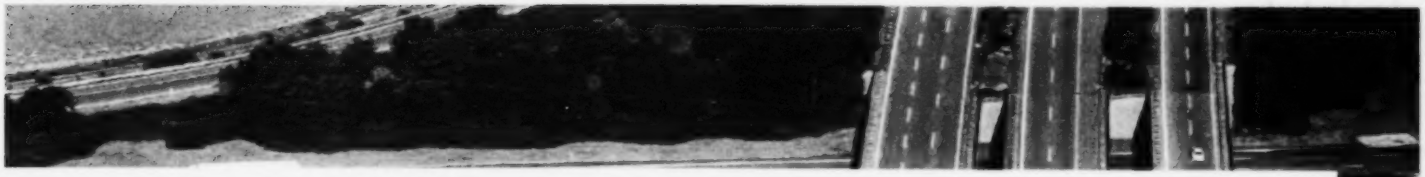
Outreach to university audiences has proven to be valuable. Based on the success of the pilot, the initiative has been rolled out and is now available to universities and colleges across Canada.

More information is available at: www.cipo.gc.ca/casestudies



Strategic direction: IP administrative framework

Objective: To improve IP administrative policy to benefit Canadians.



Outcomes established in the Strategic Plan

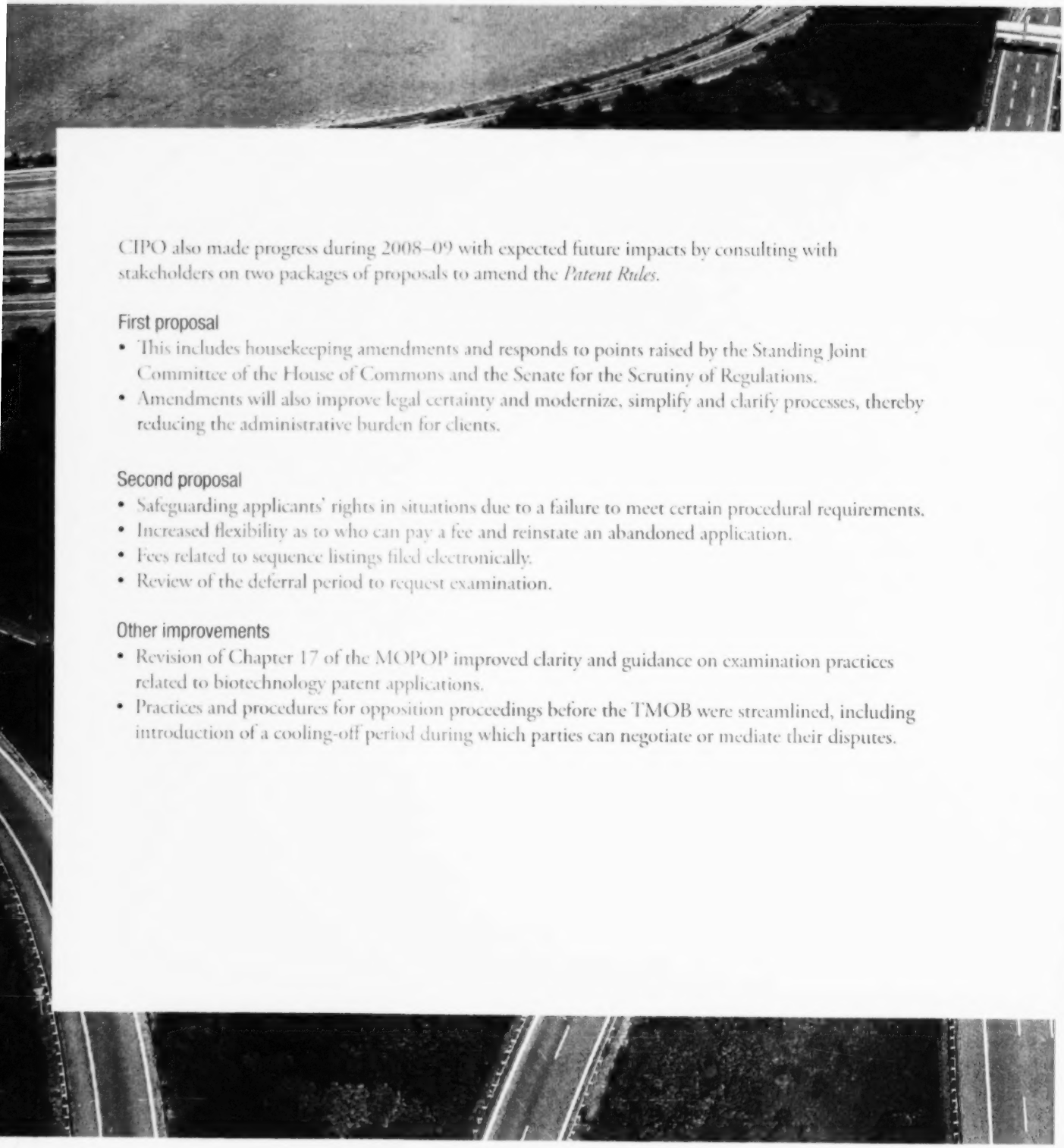
- Canada's IP administrative framework is internationally competitive.
- CIPO leverages its expertise to contribute to the domestic IP agenda.

Overview

Many CIPO procedures are mandated by the IP administrative framework, which encompasses the legislation, regulations and policies through which the goals of IP policy in Canada are translated into precise requirements that CIPO must follow. Under this strategic direction, CIPO has been working with stakeholders inside and outside of the Government to identify ways to improve the rules through which the IP system operates in Canada. All partners share a common goal of modernizing the IP administrative framework to enable delivery of high-quality, timely and responsive service.

Milestones and experiences

CIPO reduced the number of regulatory requirements by 20 percent, consistent with the Government's paper burden reduction initiative. This included amendments to the *Industrial Design Regulations*, which modernized application requirements by simplifying and clarifying the requirements for drawings and photographs.



CIPO also made progress during 2008–09 with expected future impacts by consulting with stakeholders on two packages of proposals to amend the *Patent Rules*.

First proposal

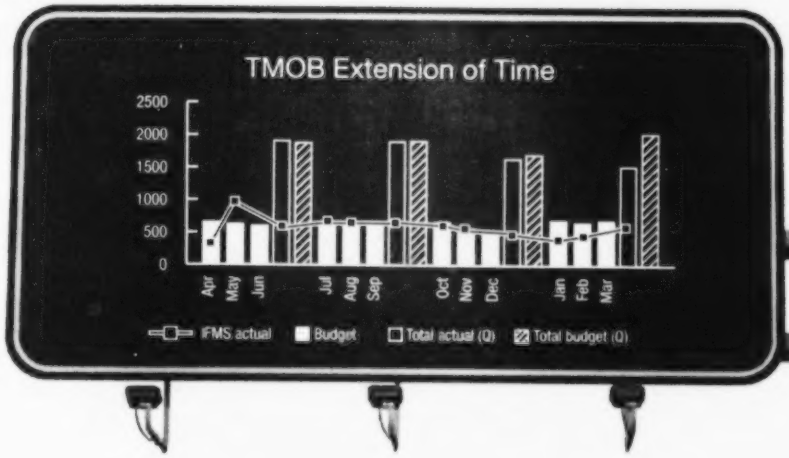
- This includes housekeeping amendments and responds to points raised by the Standing Joint Committee of the House of Commons and the Senate for the Scrutiny of Regulations.
- Amendments will also improve legal certainty and modernize, simplify and clarify processes, thereby reducing the administrative burden for clients.

Second proposal

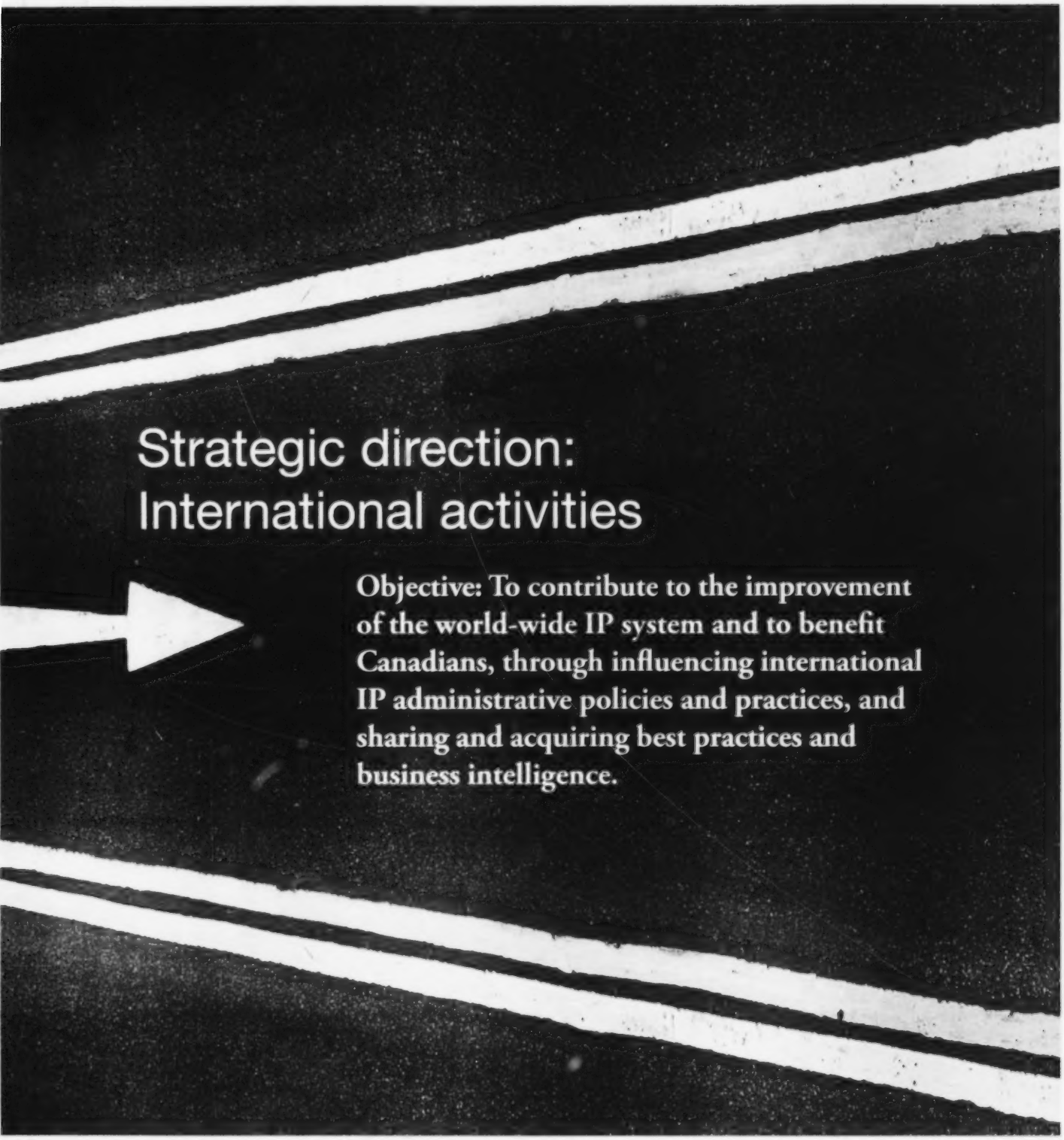
- Safeguarding applicants' rights in situations due to a failure to meet certain procedural requirements.
- Increased flexibility as to who can pay a fee and reinstate an abandoned application.
- Fees related to sequence listings filed electronically.
- Review of the deferral period to request examination.

Other improvements

- Revision of Chapter 17 of the MOPOP improved clarity and guidance on examination practices related to biotechnology patent applications.
- Practices and procedures for opposition proceedings before the TMOB were streamlined, including introduction of a cooling-off period during which parties can negotiate or mediate their disputes.

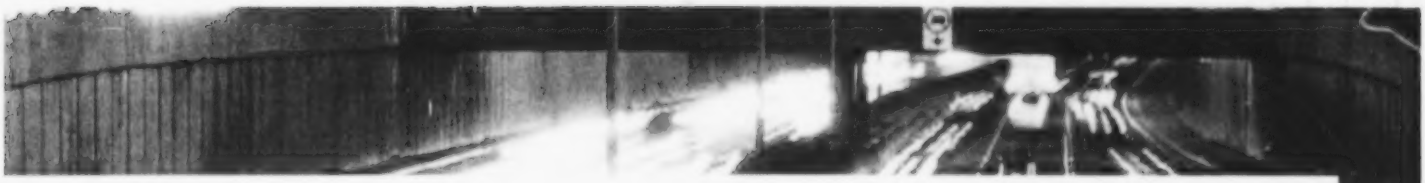


Trade-marks opposition processes had become increasingly protracted with the average case taking an average of two to five years to resolve. Under the current Strategic Plan, CIPO identified and acted upon opportunities to move proceedings to resolution faster. Streamlined processes in 2007 included increasing the time prescribed by regulation for applicants and opponents at key stages, while reducing the granting of routine extensions of time. The impacts shown in the graph above are expected to grow as additional changes introduced in March 2009 take hold.



Strategic direction: International activities

Objective: To contribute to the improvement of the world-wide IP system and to benefit Canadians, through influencing international IP administrative policies and practices, and sharing and acquiring best practices and business intelligence.



Outcomes established in the Strategic Plan

- CIPO is proactive and demonstrates leadership in advancing Canada's IP position internationally.
- The IP assistance provided to developing countries is recognized as being of a high quality.

Overview

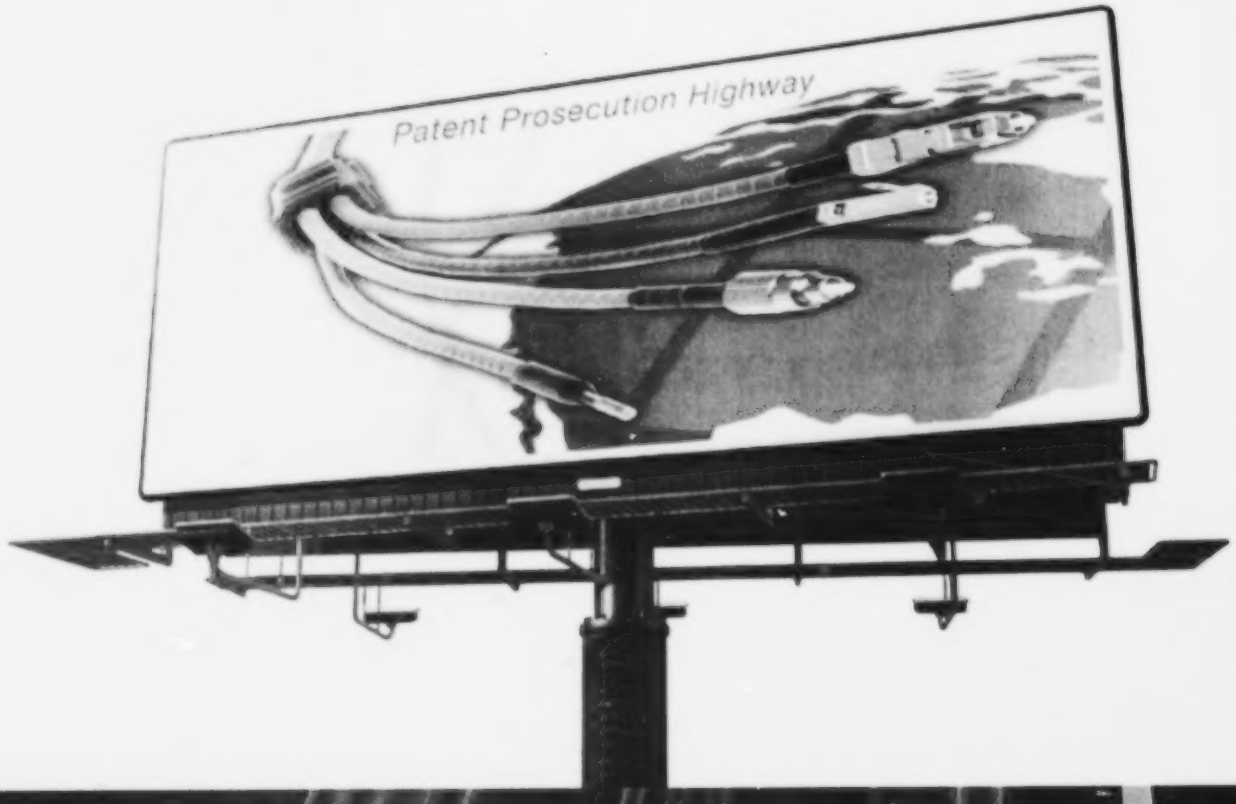
The identification of international activities as a strategic direction was based on two key elements. First, Canadian innovators and the public seeking to use IP systems from other countries or protect their IP in other countries need a sound international IP system that enables them to establish and protect their IP rights in Canada and around the world. By strengthening Canada's engagement in international IP activities, CIPO has been influencing the international IP administrative framework with full attention to accelerating Canada's economic development. Second, like CIPO, the IPOs in other countries have been seeking out improvements in client service. Their experiences generate business intelligence that Canada can apply. By building links with other IPOs, CIPO has been able to address specific issues of importance to Canadian IP system stakeholders and has been able to enhance client service.

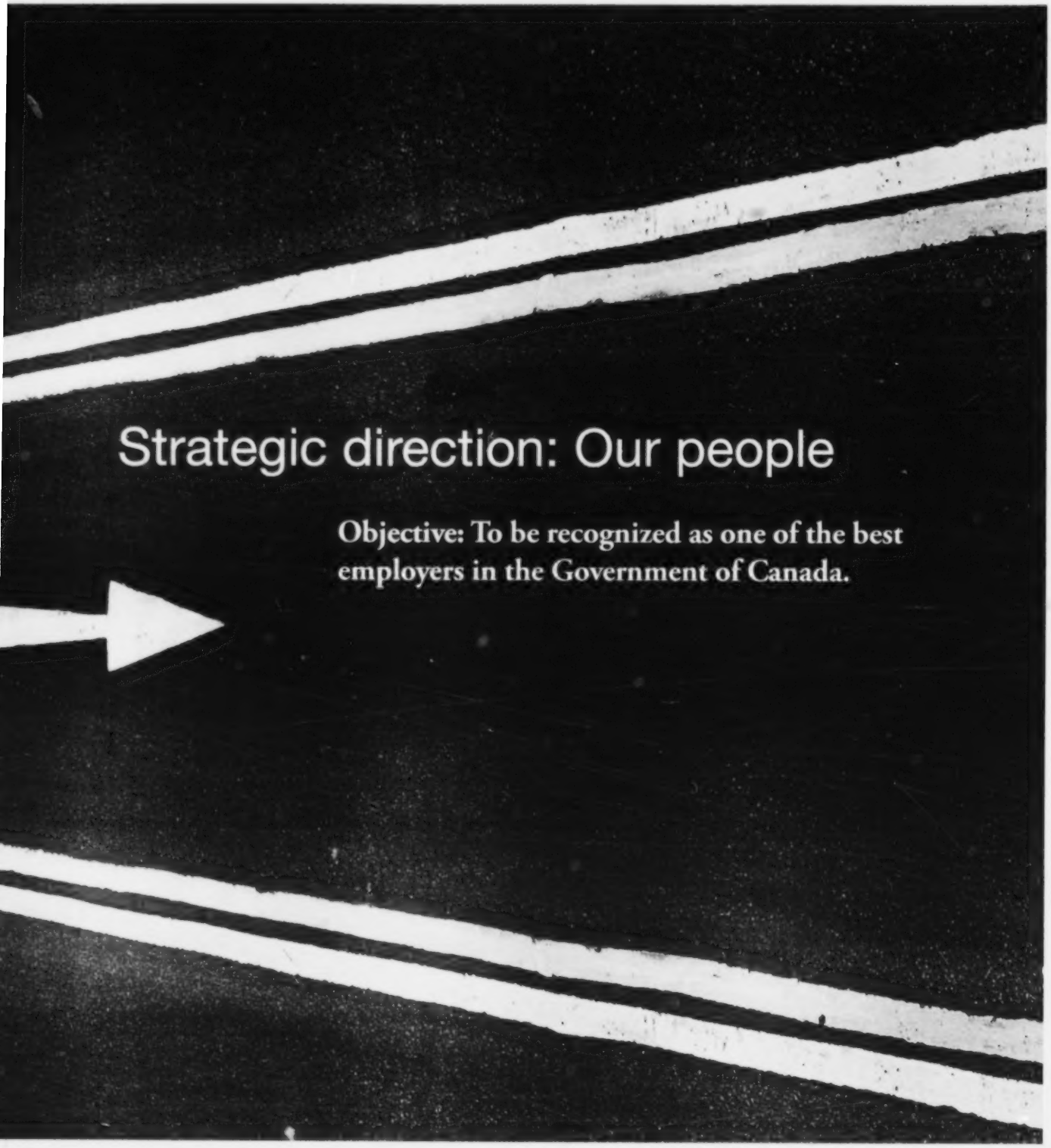
Milestones and experiences

CIPO has built an extensive network of links to other IPOs. Some of this work is bilateral, while some takes place in connection with the work of regional and multilateral organizations such as WIPO and the APEC forum. This work is designed to benefit CIPO clients and contribute to broader government initiatives. In addition to active participation in the work and meetings of groups such as WIPO and the APEC–IPEG (Intellectual Property Rights Experts' Group), CIPO pursued Canadian interests in other ways.

- CIPO established an International Relations Office as a focal point for activity under this strategic direction.
- Technical assistance on management of IP service delivery was provided to nine senior officials of IPOs of developing countries.
- Meetings to discuss issues of shared importance took place with heads of IPOs from the United States, China, Japan, Mexico and Brazil.
- Canada hosted the IPO heads from the United Kingdom and Australia in Vancouver, where this "Vancouver Group" agreed to identify productivity and efficiency measures for common attention as well as to seek to better understand the practices and situations that influence those measures.
- CIPO gained the lead role in the Vancouver Group business performance reporting collaborative initiative, which is expected to identify key performance measures for inter-office comparison.
- PAB officials met with their counterparts at the European Patent Office Appeal Board and the United Kingdom Patent Office Appeal Board to share technical and administrative best practices.

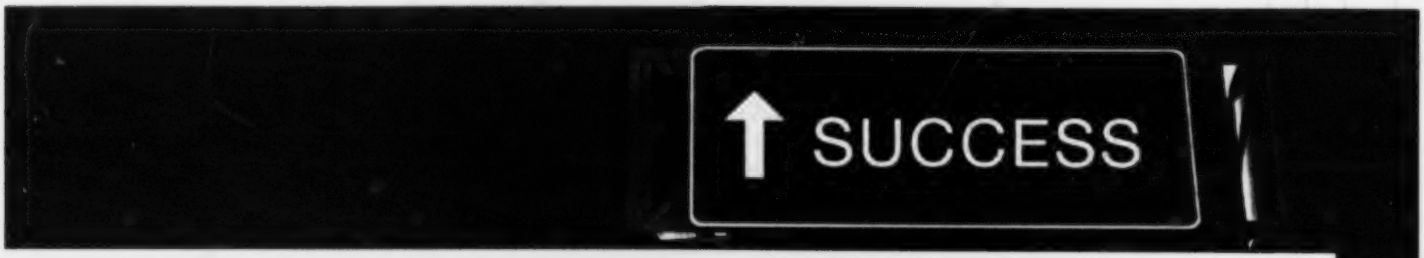
- A two-year extension of the Canada–United States Patent Prosecution Highway pilot program was announced. The project permits each IPO to benefit from work done by the other, which reduces examination workload, improves patent quality and enables applicants to obtain patents faster and more efficiently.





Strategic direction: Our people

Objective: To be recognized as one of the best employers in the Government of Canada.

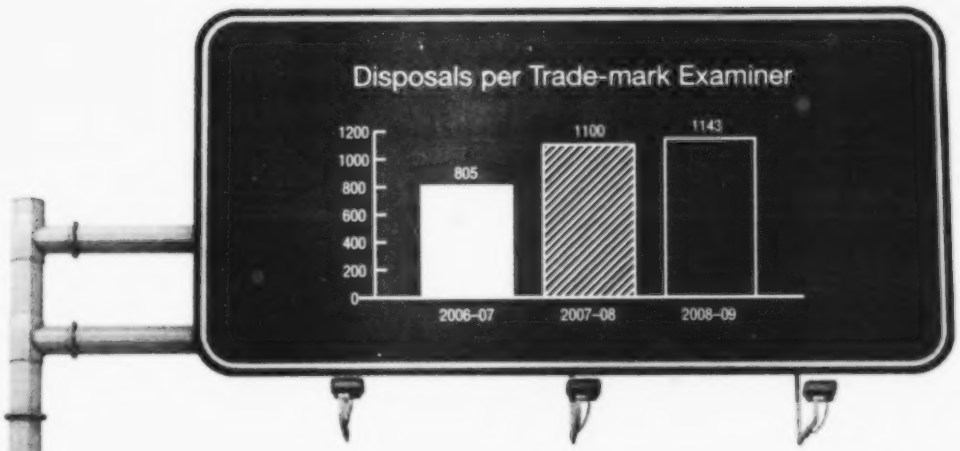


Outcomes established in the Strategic Plan

- CIPO attracts and retains individuals with the competencies it needs.
- CIPO is a learning organization where individual capabilities and organizational leadership are reinforced.
- Employees are committed, supportive and involved in their job and organization.

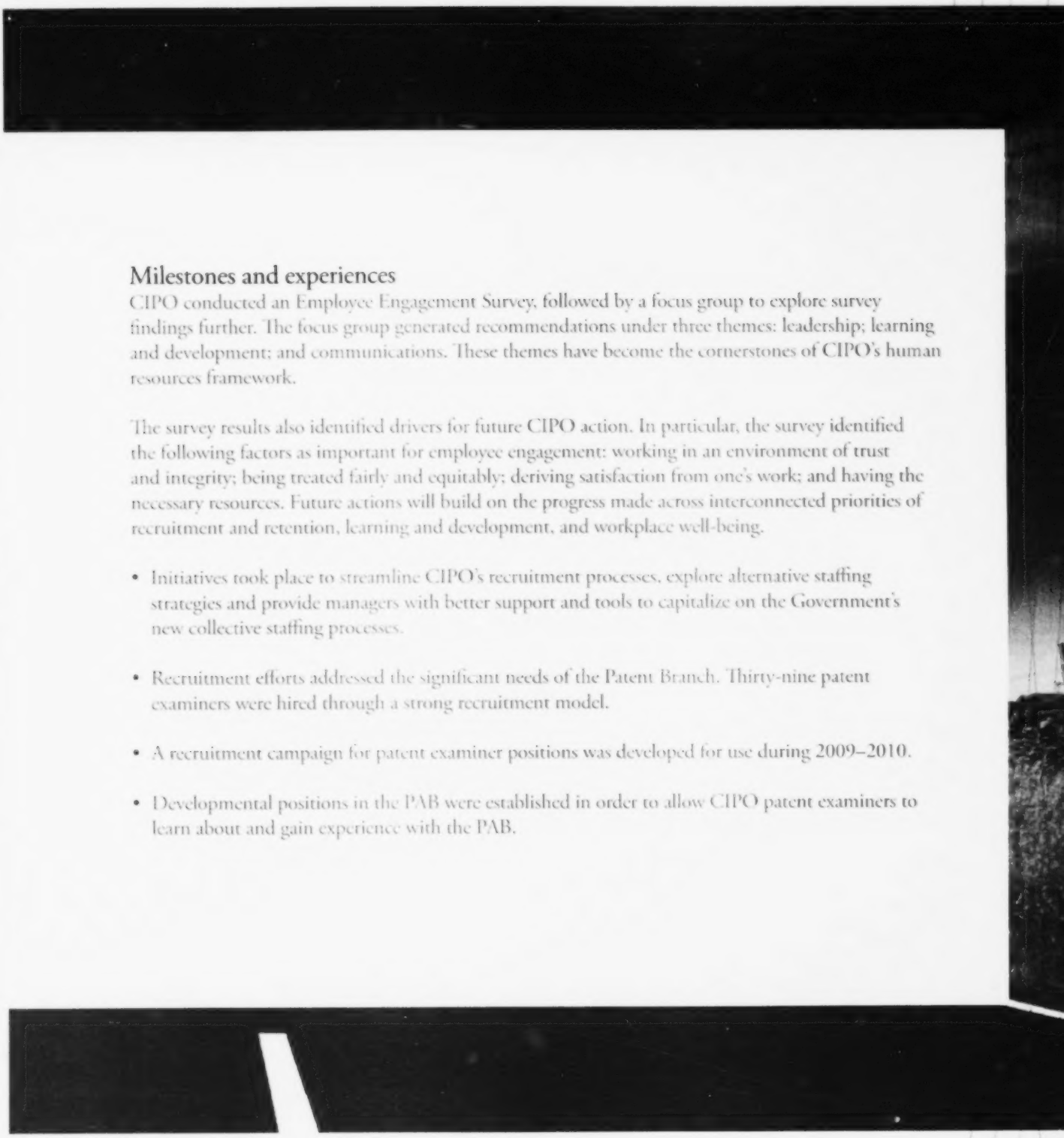
Overview

CIPO recognizes how important its people are to achieving good results. It knows that employees with the right skills in the right workplace climate are people who are fully able to deliver on all organizational commitments. This strategic direction takes into account CIPO's need to attract and retain people in a highly competitive environment for IP professionals and to address their needs in their jobs and workplaces. The steps taken to date have centred on improving human resources management in the context of responsible fiscal management.



The skill, expertise and experience of trade-mark examiners are critical factors in the status of TATs for the resolution of trade-mark applications.

CIPO has implemented a plan to expand the number of trade-mark examiners in place and to ensure that examiners get the best possible training and support. Even though trained examiners move into other positions, productivity has clearly risen.



Milestones and experiences

CIPO conducted an Employee Engagement Survey, followed by a focus group to explore survey findings further. The focus group generated recommendations under three themes: leadership; learning and development; and communications. These themes have become the cornerstones of CIPO's human resources framework.

The survey results also identified drivers for future CIPO action. In particular, the survey identified the following factors as important for employee engagement: working in an environment of trust and integrity; being treated fairly and equitably; deriving satisfaction from one's work; and having the necessary resources. Future actions will build on the progress made across interconnected priorities of recruitment and retention, learning and development, and workplace well-being.

- Initiatives took place to streamline CIPO's recruitment processes, explore alternative staffing strategies and provide managers with better support and tools to capitalize on the Government's new collective staffing processes.

- Recruitment efforts addressed the significant needs of the Patent Branch. Thirty-nine patent examiners were hired through a strong recruitment model.

- A recruitment campaign for patent examiner positions was developed for use during 2009–2010.

- Developmental positions in the PAB were established in order to allow CIPO patent examiners to learn about and gain experience with the PAB.

Conclusion — The path ahead

The growing importance of IP is a signal of Canada's economic strength in a global knowledge economy. CIPO works continually to ensure that Canadian innovators and creators can establish and gain the benefits of their IP. This is essential to creating a climate that fosters the commercialization and use of new ideas in this country and in international markets. CIPO also takes actions to ensure that Canada is seen as a country with an effective IP climate and an efficient and effective IP system.

CIPO's strategies for 2009–2010 will take place in an operating context influenced by the economic climate. Application volumes for new patents, trade-marks and industrial designs are expected to be lower than usual until such time as the economy starts to show some recovery. Even so, many companies will see the current market as an opportunity to respond with new products and services for which they will require IP protection. By building on the progress made in 2008–09, CIPO will be ready to respond to the upcoming challenges.

- There will be continued improvement in TATs and growth in the range of e-services available from CIPO as well as ongoing improvement of internal processes and procedures through the use of e-business approaches.
- New and enhanced CIPO partnerships will reach creators and show them how they can capitalize on the IP in their ideas and innovations through CIPO's services.
- CIPO will continue to address the changes needed to Canada's IP administrative framework with its partners across the Government and with IP stakeholders.
- IPOs in many countries will work with CIPO to share best practices and address common and global IP priorities.
- CIPO will continue to build a workplace climate that attracts and keeps skilled employees whose specialized expertise is essential to results.

In all of this, CIPO will apply its own creativity and innovation to create the most positive, high-quality IP climate possible for Canada.

Audited financial statements

Management report

We have prepared the accompanying financial statements of the Canadian Intellectual Property Office Revolving Fund (the "Fund") as required by and in accordance with the policy of Treasury Board on revolving funds, and the reporting requirements and standards of the Receiver General for Canada. These financial statements were prepared by the management of the Fund in accordance with the significant accounting policies set out in Note 2 of the financial statements, on a basis consistent with that of the preceding year.

Responsibility for the integrity and objectivity of these financial statements rests with the management of the Fund. The information included in these financial statements is based on management's best estimates and judgment with due consideration given to materiality. To fulfill its accounting and reporting responsibilities, the Fund maintains a set of accounts, which provides a centralized record of the Fund's financial transactions. Financial information contained in the ministerial statements and elsewhere in the Public Accounts of Canada is consistent with that in these financial statements, unless indicated otherwise.

The Fund's directorate of financial services develops and disseminates financial management and accounting policies and issues specific directives, which maintain standards of accounting and financial management. The Fund maintains systems of financial management and internal control which gives due consideration to costs, benefits and risks. They are designed to provide reasonable assurance that transactions are properly authorized by Parliament, are executed in accordance with prescribed regulations, and are properly recorded to maintain accountability of government funds and safeguard the assets under the Fund's administration. The Fund also seeks to assure the objectivity and integrity of data in its financial statements by the careful selection, training and development of qualified staff, by organizational arrangements that provide appropriate divisions of responsibility, and by communication programs aimed at ensuring that its regulations, policies, standards and managerial authorities are understood throughout the organization.

At the request of the Fund, these financial statements have been examined by external auditors, their role being to express an opinion as to whether the financial statements present fairly the financial position as at March 31, 2009, and the results of operations and cash flow for the year then ended in accordance with the accounting principles for revolving funds of the Government of Canada as described in Note 2 to the financial statements.

Approved by:

Mary Carman
Commissioner of Patents,
Registrar of Trade-marks and
Chief Executive Officer

André Rousseau, CGA
Director, Finance Branch

May 15, 2009

Deloitte

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Auditors' Report

To the Deputy Minister,
Industry Canada

We have audited the statement of financial position of the Canadian Intellectual Property Office Revolving Fund (the "Fund") as at March 31, 2009 and the statements of operations and net liabilities and of cash flow for the year then ended. These financial statements have been prepared to comply with Section 4 of the Treasury Board of Canada's Policy on Special Revenue Spending Authorities and the Revolving Funds Act. These financial statements are the responsibility of the Fund's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with Canadian generally accepted auditing standards. Those standards require that we plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In our opinion, these financial statements present fairly, in all material respects, the financial position of the Fund as at March 31, 2009 and the results of its operations and its cash flows for the year then ended in accordance with the accounting principles for revolving funds of the Government of Canada as described in Note 2 to the financial statements.

These financial statements, which have not been, and were not intended to be, prepared in accordance with Canadian generally accepted accounting principles, are solely for the information and use of the management of the Fund and the Treasury Board Secretariat for reporting on the use of the Fund Authority. The financial statements are not intended to be and should not be used by anyone other than the specified users or for any other purpose.

The comparative figures as at March 31, 2008 are based upon financial statements which were reported on by other auditors.

Deloitte & Touche LLP

Chartered Accountants
Licensed Public Accountants

May 15, 2009

A member firm of
Deloitte Touche Tohmatsu

Statement of Authority Provided (Used) (Unaudited)
for the year ended March 31, 2009 (in thousands of dollars)

	2009		2008	
	Estimates	Actual	Estimates	Actual
Net results	3 252	9 987	600	14 632
Add: items not requiring the use of funds	5 960	3 025	7 245	4 532
Operating source of funds	9 212	13 012	7 845	19 164
Less: items requiring use of funds				
Net capital acquisitions	8 000	1 736	8 000	2 916
Net other assets and liabilities	6 064	(1 650)	894	(5 022)
Authority provided (used)	(4 852)	12 926	(1 049)	21 270

The accompanying notes form an integral part of these financial statements.

Reconciliation of Unused Authority (Unaudited)
as at March 31, 2009 (in thousands of dollars)

	2009	2008
Debit balance in the accumulated net charge against the Fund's authority (ANCAFA)	(150 106)	(139 353)
Transfer from Treasury Board for employees termination benefits	(309)	(736)
	(150 415)	(140 089)
Add: payable at year-end (PAYE) charges against the appropriation account after March 31	8 188	12 812
Less: amounts credited to the appropriation account after March 31	2 360	2 547
Other items	2 849	4 376
Net authority provided, end of year	(147 436)	(134 200)
Authority limit	5 000	5 000
Unused authority carry forward	152 436	139 200

The accompanying notes form an integral part of these financial statements.

Statement of Financial Position
as at March 31, 2009 (in thousands of dollars)

	2009	2008
Assets		
Current		
Petty cash	2	2
Accounts receivable		
Government of Canada	715	880
Outside parties	1 646	2 403
Unbilled revenues	7 082	7 390
Prepaid expenses	232	171
	9 677	10 846
Capital assets (Note 3)	11 965	13 933
Unbilled revenues	1 252	1 747
	22 894	26 526
Liabilities		
Current		
Deposit accounts	2 888	2 339
Accounts payable		
Government of Canada	678	7 579
Outside parties	11 612	9 510
Deferred revenues	39 259	39 623
	54 437	59 051
Employee termination benefits	9 909	9 487
Deferred revenues	49 643	48 317
	59 552	57 804
Contractual obligations (Note 5)		
Contingencies (Note 9)		
Net liabilities (Note 4)	(91 095)	(90 329)
	22 894	26 526

The accompanying notes form an integral part of these financial statements.

Statement of Operations and Net Liabilities
for the year ended March 31, 2009 (in thousands of dollars)

	2009	2008
Revenues	144 560	144 552
Expenses		
Salaries and employee benefits	91 519	88 070
Professional services	25 162	23 100
Amortization of capital assets	3 704	6 445
Accommodation	8 226	7 792
Materials and supplies	1 467	2 105
Information	323	211
Communications	793	745
Travel	959	664
Freight and postage	472	455
Repairs and maintenance	1 059	1 051
Training	687	697
Rentals	202	181
	134 573	131 516
Net results before amortization of deferred capital assistance (DCA)	9 987	13 036
Amortization of DCA	—	1 596
Net results	9 987	14 632
Net liabilities, beginning of year	(90 329)	(76 452)
Net financial resources provided and change in the ANCAFA account, during the year	(10 753)	(28 509)
Net liabilities, end of year	(91 095)	(90 329)

The accompanying notes form an integral part of these financial statements.

Statement of Cash Flow
for the year ended March 31, 2009 (in thousands of dollars)

	2009	2008
Operating activities		
Net results	9 987	14 632
Add: amortization of capital assets	3 704	6 445
Less: amortization of DCA	—	1 596
	13 691	19 481
Changes in working capital (Note 6)	(3 445)	10 244
Changes in other assets and liabilities		
Unbilled revenues	495	(749)
Employee termination benefits	422	1 023
Deferred revenues	1 326	1 426
	2 243	1 700
Net financial resources provided by operating activities	12 489	31 425
Investing activities		
Capital assets acquired	(1 736)	(2 916)
Net financial resources provided and change in the ANCAFA account, during the year	10 753	28 509
ANCAFA account, beginning of year	139 353	110 844
ANCAFA account, end of year (Note 4)	150 106	139 353

The accompanying notes form an integral part of these financial statements.

Notes to financial statements for the year ended March 31, 2009

1 — Authority and purpose

The Canadian Intellectual Property Office Revolving Fund (the "Fund") grants or registers exclusive ownership of intellectual property (IP) in Canada. In exchange, the Fund acquires IP information and state-of-the-art technology which it disseminates to Canadian firms, industries and individuals to improve economic performance and acompetitiveness and to stimulate further invention and innovation.

The Fund was established on April 1, 1994. The authority to make expenditures out of the Consolidated Revenue Fund was granted on February 22, 1994, and has an authorized limit of $15 million. During the fiscal year ended March 31, 2002, the Fund's authorized limit was reduced from $15 million to $5 million. The Fund has continuing non-lapsing authority from Parliament to make payments out of the Consolidated Revenue Fund for working capital, capital acquisitions and temporary financing of accumulated operating deficits. The Fund may retain surpluses to continue to automate operations.

Pursuant to Treasury Board decision # 833200 (Budget 2006 Spending Restraint), dated November 30, 2006, and effective in 2006–07, the Fund transferred $50 million of its accumulated surplus to the accumulated net charge against the Fund's authority (ANCAFA).

The Fund is not subject to income taxes.

2 — Significant accounting policies

Basis of accounting
The financial statements have been prepared in accordance with the reporting requirements for revolving funds as described by the Receiver General for Canada. The basis of accounting used in these financial statements differs from Canadian generally accepted accounting principles because: services received without charge from other government departments are not reported as expenses; the expenses and liability for termination benefits excludes the portion not funded by the Fund; and contingent liabilities are disclosed rather than recorded.

The significant accounting policies are as follows:

Revenue recognition
Fees received for processing patent, trade-mark and industrial design applications are recorded as deferred revenues until services are rendered, at which time they are recorded as revenue. Detailed inventory counts of applications are used to determine the amount of deferred revenue taking into account the fee schedule related to the application. Different rates may be charged depending on the size of the entity. Abandonments during the application process are recorded as earned revenue. When work is completed prior to the receipt of the fee, the amount is recorded as unbilled revenue. Fees are prescribed by various orders-in-council.

Capital assets and amortization
Capital assets are recorded at cost and are amortized on a straight-line basis over their estimated useful lives, beginning in the month after acquisition, as follows:

Software	3 years
Hardware	3–5 years
Leasehold improvements	5 years
Furniture	10 years
Equipment	10 years
Systems	Estimated useful life, beginning in the year of deployment

Employee termination benefits
Employees of the Fund are entitled to specified termination benefits, calculated based on salary levels in effect at the time of termination as provided for under collective agreements and conditions of employment. Employee termination benefits earned prior to an employee joining the Fund are a liability of the Treasury Board and accordingly have not been recorded in the accounts. As at March 31, 2009, the Treasury Board liability for the Fund's employees is $4.2 million (2008 — $4.3 million). The liability for benefits earned after an employee joins the Fund is recorded in the accounts as the benefits accrue to employees.

The Treasury Board will only fund this portion of the past services up to and including the 15th year of the Fund's operation. In 2009–2010, the long-term liability account for termination benefits will be adjusted accordingly with an offset against the Fund's accumulated surplus.

Pension plan
Employees of the Fund are covered by the Public Service Superannuation Plan administered by the Government of Canada. Under present legislation, contributions made by the Fund to the Plan are limited to an amount equal to the employee's contributions on account of current service. These contributions represent the total pension obligations of the Fund and are charged to operations on a current basis. The Fund is not required under present legislation to make contributions with respect to actuarial deficiencies of the Public Service Superannuation Account or with respect to charges to the Consolidated Revenue Fund for the indexation of payments under the *Supplementary Retirement Benefits Act*.

Use of estimates
The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenses during the period. The estimated useful lives of capital assets, revenues and human resource related accrued liabilities are the most significant items for which estimates are used. Actual results could differ from these estimates. These estimates are reviewed annually and as adjustments become necessary, they are recorded in the financial statements in the period in which they become known.

3 — Capital assets and accumulated amortization (in thousands of dollars)

Capital assets	Balance at April 1, 2008	Acquisitions	Disposals	Balance at March 31, 2009
Leasehold improvements	22 221	4	115	22 110
Software	10 500	1 760	2 507	9 753
Hardware	2 716	47	970	1 793
Equipment	31	—	—	31
Furniture	44	71	—	115
Systems				
INTREPID	3 983	—	—	3 983
TechSource	88 240	—	80 256	7 984
Other	11 164	4 225	2 795	12 594
Systems under development	5 069	698	5 069	698
Total	143 968	6 805	91 712	59 061

Accumulated amortization	Balance at April 1, 2008	Amortization	Decrease	Balance at March 31, 2009
Leasehold improvements	18 601	1 201	115	19 687
Software	8 665	1 321	2 507	7 479
Hardware	2 554	64	970	1 648
Equipment	1	3	—	4
Furniture	2	8	—	10
Systems				
INTREPID	3 854	62	—	3 916
TechSource	86 076	541	80 256	6 361
Other	10 282	504	2 795	7 991
Total	130 035	3 704	86 643	47 096
	13 933			11 965

4 — Net liabilities (in thousands of dollars)

Accumulated net charge against the Fund's authority (ANCAFA)

The ANCAFA is the cash position of the Fund, held by the Government on behalf of the Fund.

Accumulated surplus

The accumulated surplus is an accumulation of each year's surpluses including the absorption of the opening deficit of $9.4 million upon establishment of the Fund.

	2009	2008
Accumulated surplus, beginning of year	49 024	34 392
Net results	9 987	14 632
Accumulated surplus, end of year	59 011	49 024
ANCAFA, end of year	(150 106)	(139 353)
Net liabilities	(91 095)	(90 329)

5 — Contractual obligations (in thousands of dollars)

The Fund is engaged in contractual obligations for:

Information technology services with Public Works and Government Services Canada	2010	6 088
		6 088
Operating leases for its office premises	2010	8 676
	2011	8 691
	2012	8 775
		26 142
Applications development and maintenance support within the framework of the Continued Systems Improvements Program	2010	2 621
		2 621
Searching services and access to online databases	2010	2 626
		2 626

6 — Changes in working capital (in thousands of dollars)

Components of the changes in current assets and liabilities include:

	2009	2008
Accounts receivable	922	(857)
Unbilled revenues (short term)	308	(131)
Prepaid expenses	(61)	63
Deposit accounts	549	455
Accounts payable	(4 799)	8 251
Deferred revenues (short term)	(364)	2 463

7 — Related party transactions

Through common ownership, the Fund is related to all Government of Canada created departments, agencies and Crown corporations. Payments for accommodation, translation, legal services, compensation and benefits services, mail services, security services, and mainframe and computing services are made to related parties in the normal course of business.

8 — Insurance

The Fund does not carry insurance on its property. This is in accordance with the Government of Canada policy of self-insurance.

9 — Contingencies

Sick leave
Employees are permitted to accumulate unused sick leave. However, such leave entitlements do not vest and can be used only in the event of illness. The amount of accumulated sick leave entitlements which will become payable in future years cannot reasonably be determined and accordingly have not been recorded in the accompanying financial statements. Payments of sick leave benefits are included in current operations as incurred.

Additional financial information

Revolving fund

As an SOA within IC, with a revolving fund authority, CIPO finances its operations entirely from revenues generated by fees received from the provision of IP services.

The financial statements of CIPO's Revolving Fund (the "Fund") have been prepared in accordance with the reporting requirements for revolving funds described by the Receiver General for Canada. The basis of accounting used in these financial statements differs from Canadian generally accepted accounting principles because services received without charge from other government departments are not reported as expenses; the expenses and liability for termination benefits excludes the portion not funded by the Fund; and contingent liabilities are disclosed rather than recorded. Some of the information included in these financial statements is based on management's best estimates and judgment, with due consideration given to materiality.

CIPO develops accounting policies and maintains the financial systems and internal controls necessary to fulfill its accounting and reporting responsibilities. By adhering to sound financial management practices and internal accounting controls, CIPO's financial administration provides reasonable assurance that transactions are recorded and executed in accordance with its authority, and that its assets aresafeguarded.

In the context of modern comptrollership, and to improve managerial accountability and reporting, external auditors are hired to examine the financial statements and to express an opinion as to whether they present fairly CIPO's financial position at year-end.

Management report

Balance sheet

The balance sheet of the Fund reveals that CIPO is in good financial health. At the end of March 2009, the balance sheet (Note 4) indicates an accumulated net charge against the fund's authority (ANCAFA — representing the cash situation of the Fund) of $150.1 million or $61.2 million if current and long-term deferred revenues are excluded. An amount of $8.3 million is recorded under unbilled revenues, which represents the value of work completed prior to the receipt of the fee. This relates mainly to trade-mark examinations and registrations where part of the examination fee is received before the work starts (recorded under deferred revenues) and the second part is received after the work is completed and accounted for under the unbilled revenues.

The capital assets of $12 million, net of depreciation, represent mainly the net value of the Product Lines systems, the leasehold accommodation, and IT systems and software under development. Every year, investments are made to increase an IT capability that is closely aligned with CIPO's business objectives and requirements.

Under liabilities, the current and long-term deferred revenues of $39.3 million and $49.6 million, respectively, represent the prepaid amount for services to be provided in the near future and are directly linked with the inventory of patent and trade-mark files to be examined. Note the total current deferred revenues account represents the equivalent of the work to be performed during the coming year. The accounts payable of $12.3 million represents a decrease of $4.8 from last year and are mainly related to payables to outside parties. Other financial elements of assets and liabilities remain relatively stable.

The accumulated surplus stands at $59 million as of March 31, 2009. The accumulated surplus ensures that CIPO will be able to remain both fiscally responsible and viable and will be in the position to maintain/improve service levels. This includes for instance, reducing TATs and investing in the renewal and expansion of IT systems for the delivery of improved products and sevices to meet the evolving needs of clients, international obligations and to keep pace with the product and service offerings of other international IPOs.

Income statement

Revenues for fiscal year 2008–09 equal $144.6 million and are at the same level as last year, for all categories of revenues. Expenditures for the same period equal $134.6 million and are $4.7 million higher than last year. This expenditure increase is mainly coming from incremental salary expenses and also from the fact CIPO is continuing to hire new examiners to deal with the growing demand for IP products and services. These investments in human resources have already had a significant positive impact on TATs in many areas. We also note an increase of $2.1 million in professional services (mainly related to the increase in IT costs) and a reduction of $1.1 million in amortization of capital assets. Thus, the net result was $10 million in income.

For more detail on revenues and expenditures, please refer to the charts in Appendix B.

Appendix A: Key activities

	2006–07	2007–08	2008–09
Applications			
Patents	40 873	41 321	40 796
National	10 879	10 642	9 961
Patent Cooperation Treaty	29 994	30 679	30 835
Trade-marks	45 374	47 586	43 526
Copyrights	8 504	9 321	8 424
Industrial designs	4 883	5 174	4 864
Integrated circuit topographies	8	—	2
International Search Authority (ISA)	2 204	2 385	2 246
International Preliminary Examining Authority (IPEA)	415	430	331
Requests for examination			
Patents	28 622	27 116	30 376
Disposals			
Patents	32 806	33 673	35 188
Grants/Registrations			
Patents	16 100	18 554	18 251
Trade-marks	23 236	25 314	26 697
Copyrights	8 432	9 254	8 273
Industrial designs	3 841	5 947	5 659
Integrated circuit topographies	8	—	2
Abandonments			
Trade-marks	14 826	15 243	18 221
Copyrights	104	132	140
Industrial designs	455	427	482
Maintenance/Renewals			
Patents	286 552	307 382	308 249
Trade-marks	8 282	8 688	9 104
Industrial designs	1 726	1 259	1 807
Assignments			
Patents	50 012	43 911	41 215
Trade-marks*	12 244	13 353	14 610
Copyrights	1 822	2 009	1 335
Industrial designs	1 455	2 265	1 814
Integrated circuit topographies	—	—	—
* Changed retroactively to no longer reflect amendments and assignments			
Enquiries			
Patents	20 291	21 615	19 105
Status requests (patents)	1 825	735	1 249
Trade-marks	19 384	20 870	23 555
Copyrights	7 082	7 430	7 859
Industrial designs	1 240	1 076	1 105
Integrated circuit topographies	35	10	18
General information	20 962	19 114	19 811
Total enquiries	70 819	70 850	72 702

Appendix B: Financial charts

Figure 1 Revenues by products and services

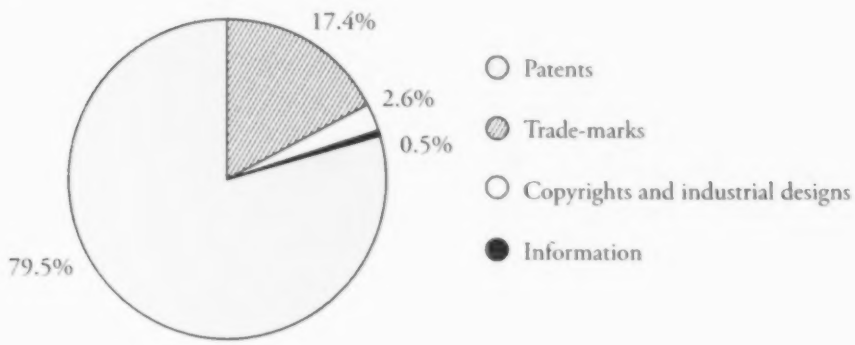


Figure 2 Operating expenditures by category

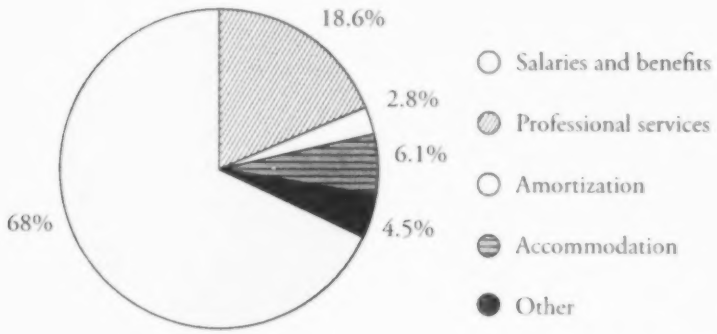


Figure 3 Expenditures by branch grouping

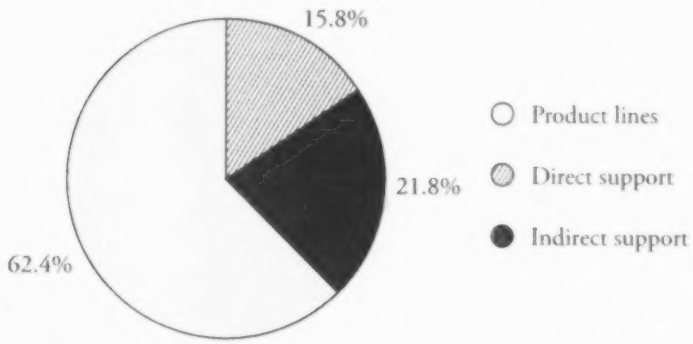


Figure 4 Patent revenues

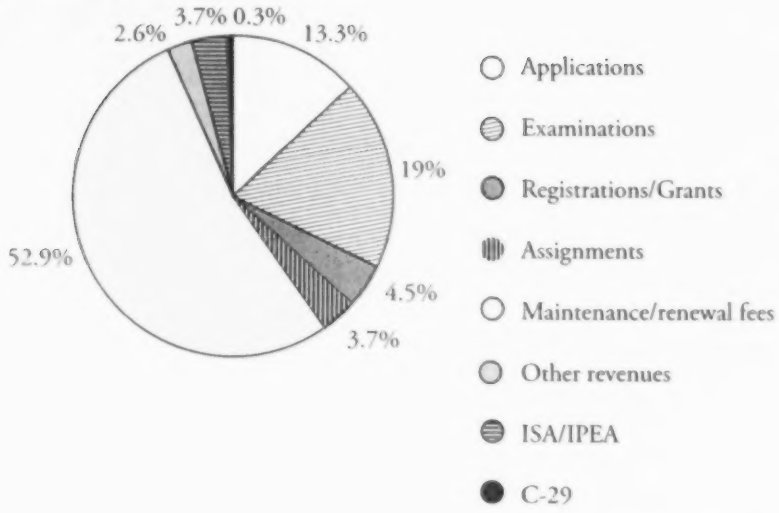


Figure 5 Trade-mark revenues

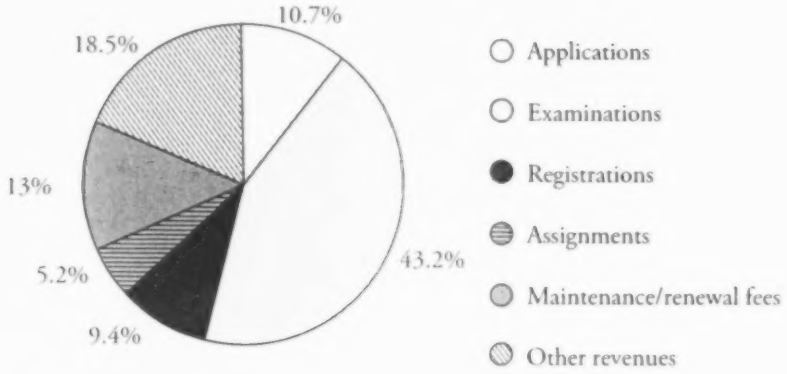
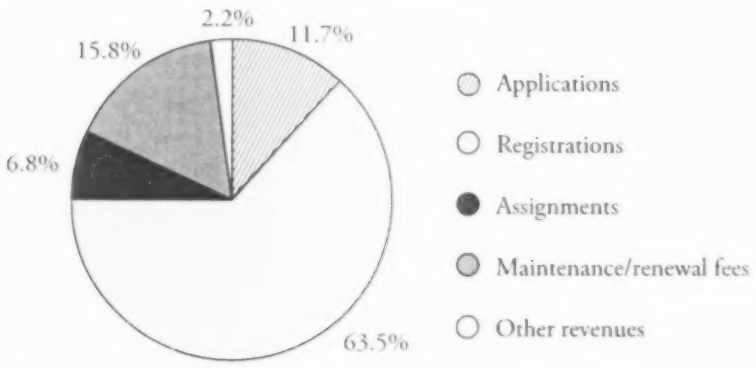


Figure 6 Copyright and industrial design revenues



List of supplementary tables and figures available online

http://www.cipo.ic.gc.ca/eic/site/cipointernet-internetopic.nsf/eng/h_wr00094.html

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Appendix C: Client service standards

The following highlights CIPO's performance against its client service standards for 2008-09. Please note that in the areas that we underperformed by 10 percent or more, explanatory notes have been included.

Services	Client service standards	Results	Explanation
PATENT BRANCH			
Issue filing certificate for patent applications meeting filing requirements	Within 4 weeks of receipt of the application	3.8 weeks	
Issue confirmation of national entry for PCT applications meeting entry requirements	Within 8 weeks of receipt of the application	11.8 weeks	Expectations at mid-year indicated February 2009 as target date to achieve desired service standards. While not met, TATs did continue to improve, from 13.8 weeks at mid-year, and will reach 8 weeks by May 2009.
Issue an ownership registration certificate	Within 6 weeks of receipt of documentation	7 weeks	Expectations at mid-year indicated February 2009 as target date to reach desired service standards. While not met, 6 weeks TAT will be reached at the end of May 2009.
Provide a first substantive examination (80 percent of applications with a request for examination will be waiting for a first substantive action, including all known objections to patentability)	80 percent of applications, less than: • 18 months for Mechanical • 30 months for Electrical • 21 months for General Chemistry • 21 months for Organic Chemistry • 30 months for Biotechnology	• 81% (18 months) • 79% (32 months)* • 78% (21 months) • 82% (21 months) • 79% (32 months)* ** revised at year-end*	The Mechanical Division and Organic Chemistry Division have met their performance standards. The General Chemistry Division failed to meet its performance standards due to higher than expected loss of employees. The Electrical Division and Biotechnology Division fell short in meeting their revised standards due to higher than expected loss of employees, and lower than desired hiring rates last year. Hiring continues to be a top priority of the Patent Branch.

Services	Client service standards	Results	Explanation
PATENT APPEAL BOARD			
Patents Contact applicant to arrange hearing date	Within 2 months	No longer applicable	Change in procedures: refer to 2009-2010 service standard
Industrial Designs Contact applicant to arrange hearing date	Within 2 months	No longer applicable	Change in procedures: refer to 2009-2010 service standard
TRADE-MARKS BRANCH			
Acknowledge correctly filed applications	Within 7 working days of filing date	4.3 days	
Approved acceptable applications or issue first examination reports	Within 6.5 months	7.9 months	Newly recruited examiners need 12 months to reach full production capacity
Respond to client correspondence received subsequent to a first action	Within 4 months of receipt of correspondence	4.8 months	Clean-up of about 1 000 old files affected the overall TAT
TRADE-MARKS OPPOSITION BOARD			
Oral hearing date a) Opposition	Within 14 months of receipt of request (no postponements)	11 months	
b) Section 45	Within 18 months of receipt of request	11 months	
Decisions issued a) Non-hearing Opposition	Within 11 months of file being ready for decision	11 months	
b) Non-hearing Section 45	Within 13 months of file being ready for decision	11 months	

Services	Client service standards	Results	Explanation
COPYRIGHT OFFICE			
Register a copyright and issue a certificate			
a) For applications received by mail	Within 7 working days of receipt of application and fees	5.9 days	
b) For applications filed electronically	Within 5 working days of receipt of application and fees	1.9 days	
Register a grant of interest and issue a certificate for a copyright	Within 12 working days of receipt of application and fees	6.5 days	
INDUSTRIAL DESIGN DIVISION			
Issue filing certificate or issue report indicating industrial design application is incomplete	Within 4 weeks of receipt of application	2 weeks	
Examine application to assess the registrability of the design; allow the design or issue first examiner's report	Within 9.8 months of receipt of application	7.5 months	
CLIENT SERVICE CENTRE (INFORMATION BRANCH)			
Requests are processed within standards 90 percent of the time			
Respond to telephone enquiries or voice mail	Immediately upon receipt or call will be returned within 24 hours	96.5%	
Respond to general correspondence, email and fax requests	Within 48 hours upon receipt at the Client Service Centre	96.5%	
Provide acess to an information officer (on site)	Within 10 minutes of client's request	96.5%	
Send IP publications	Publications will be mailed within 48 hours	96.5%	

Services	Client service standards	Results	Explanation
REPRODUCTION AND SALES SECTION (INFORMATION BRANCH) *Requests are processed within standards 90 percent of the time*			
Send photocopies of patent, trade-mark and copyright documents in paper or electronic form	Within 72 hours of receipt of request and with proof of payment	94.6%	
Send certified copies of patent, trade-mark and copyright documents in paper form	Within 72 hours of receipt of request and with proof of payment	94.6%	

Appendix D: Management team and business development officers

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